

## ISLAND COUNTY BOARD OF COUNTY COMMISSIONERS

(Including Diking Improvement District #4)

### MAY 17, 2016

- 10:00 a.m. Regular Meeting
- 1:00 p.m. Island County Board of Health

### MAY 18, 2016

- 9:00 a.m. Work Session with Individual Departments and Elected Officials
- 5:00 p.m. Special Joint Session of the Board of Health and Community Health Advisory Board of Island County

### MAY 23, 2016

- 1:00 p.m. Special Work Session - Joint Meeting/Planning Commission Workshop

Location (Unless otherwise noted): Board of County Commissioners Hearing Room (Room 102B Basement), Island County Annex Bldg., 1 NE 6<sup>th</sup> Street, Coupeville, WA

[\[CLICK HERE for Internet link to Island County Coupeville Campus Map & Contact Guide\]](#)

### MEETING AGENDA – MAY 17, 2016

#### **10:00 a.m. Convene Regular Meeting** -- Pledge of Allegiance

*Welcome to the Board of County Commissioners meeting. The Board values your input and ideas, and sets aside a time called "Public Input or Comments." A "Public Hearing" or "Public Meeting" will begin no sooner than the time shown. Occasionally, items do not make this agenda in time, but are added just prior to the meeting at the discretion of the Chair. This separate "Chair's Agenda" will be addressed as the schedule permits.*

#### **10:00 a.m. Public Input or Comments**

*This is time set aside for members of the public to speak to the Board about subjects of concern or interest, or items on the agenda. Comments on matters scheduled for Public Hearing will be taken at the time shown on the agenda. The Board will take all information under advisement, but generally will not take any action unless it is emergent in nature. To ensure your comments are recorded properly, please state your name and address clearly into the microphone. Please limit your comments to 3 minutes. If you have any documents to present to the Board, please hand them to the Clerk of the Board prior to speaking.*

#### **Consent Agenda**

*[Consent Agenda items will be considered together and will be approved on a single motion typically without discussion. The items proposed for the Consent Agenda are considered to be routine and public comment or inquiries are not anticipated. Any item on the Consent Agenda will be moved to the Regular Agenda upon request from any Board Member prior to or during the Board meeting. An item moved to the Regular Agenda will be considered after the Consent Agenda.]*

- 1) [Approve](#) pre-audited vouchers, warrants, electronic funds transfers and payroll
- 2) [Approve](#) Minutes from previous meeting(s) – None presented

Human Services

- 3) [Contract](#) with North Sound Behavioral Health Organization to provide housing and supportive employment services to homeless households with mental health challenges. Contract No: NORTH SOUND BHO-ISLAND CO-MHBG-16-17; Contract period: 4/1/16 – 6/30/17; Amount: \$91,480 (RM-HS-2016-151)

**ISLAND COUNTY BOARD OF COUNTY COMMISSIONERS**  
**Meeting Agenda – May 17, 2016**

Information Technology

- 4) [Purchase Order No. 10466](#) – CDW Government LLC for Sonicwall Firewall Replacement.  
Amount: \$22,330.94 (including WSST) (RM-IT-2016-154)

Long Range Planning

- 5) [Contract](#) with BHC Consultants, LLC Professional Services. BHC Consultants will integrate information from County staff, provide general editing, assessment of GMA compliance, and overall consistency review for the Island County Comprehensive Plan 2016 update. Amount: \$84,102 (not to exceed \$145,000 via task assignments) (RM-PLAN-2016-166)
- 6) [Contract](#) with Environmental Sciences Associates (ESA). ESA will provide professional and technical assistance in the completion of both the Island County Comprehensive Plan 2016 update and the Critical Areas Ordinance update project. Amount: \$93,951 (RM-PLAN-2016-170)

Public Works

County Roads

- 7) [Property Acquisition](#) – Boon Road Improvements, CRP 11-07; D. Lawniczak and F. Pitt; Parcel R13216-428-0670 and R13216-495-0670. Amount: \$42,774.20 (Appraisal review/fence replacement; permanent easements for wetlands)
- 8) [Bid Award](#) – 2016 Hot Mix Asphalt; May/2016- May/2017; Split award to Krieg Construction; Lakeside Industries; Granite Construction
- 9) [Contract](#) with Lakeside Industries for Hot Mix Asphalt Supplies, May/2016 – May/2017 with option for two one-year extensions (RM-PW-2016-160) (PW-1620-080)
- 10) [Contract](#) with Granite Construction for Hot Mix Asphalt Supplies; May/2016-May/2017 with option for two one-year extensions (RM-PW-2016-161) (PW-2016-081)

Public Works Division

- 11) [Resolution C-57-16](#) (R-27-16) Amending Public Works Project PWP11-01/JL 00968-0001; Freeland Trail – Segment 1
- 12) [Local Agency Federal Aid Project Prospectus](#) – Addition of Federal Funds for Preliminary Engineering; Freeland Trail – Segment 1
- 13) [Supplement No. 2](#) with WA State Department of Transportation; Local Agency Agreement No. 7350; Freeland Trail – Segment 1; Obligation of Construction Funds. Amount: \$831,948 (RM-PW-1620-162) (PW-1620-078)

**Regular Agenda**

*[Items listed under this portion of the Agenda are typically considered separately.]*

Commissioners

- 14) [Recommend](#) Appointments/Re-Appointments to the Water Resource Advisory Committee (WRAC),  
Position Nos. 7 and 9
- 15) [Recommend](#) Appointments/Re-Appointments to the Board of Equalization (BOE),  
Position Nos. 1, 5, and 6

**ISLAND COUNTY BOARD OF COUNTY COMMISSIONERS**  
**Meeting Agenda – May 17, 2016**

**Public Hearings**

*[A Public Hearing will begin no sooner than the time shown.]*

Budget

16) [10:15 a.m. Public Hearing](#): Resolution C-36-16 Amending the 2016 Island County Budget. The proposed budget amendment revises estimates for personnel costs, the Jail budget to reflect changes in labor agreement, costs of the Banks' lawsuit, public defense costs associated with recent murder trials, and technology upgrades.

**Commissioners Comments & Announcements**

*[This time provides an opportunity for Commissioners to discuss events, actions or issues that may generate public comment, media calls, or otherwise be of interest to the Board of County Commissioners.]*

**1:00 p.m. [Island County Board of Health](#)**

\*\*\*\*\*

**MAY 18, 2016 @ 9:00 a.m.**

**WORK SESSIONS** with individual Departments and Elected Officials. Work Sessions are a public meeting which provides an opportunity in an information workshop format for the Board to review in detail ongoing issues with individual departments and elected officials. This time is also used for the Board to meet with other agencies, committees and groups to discuss specific topics of mutual interest. Items are typically first reviewed at Work Sessions before being scheduled on the agenda for the Board's regular business meetings held on Tuesdays.

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**MAY 18, 2016 @ 5:00 p.m.**

**[Special Joint Session of the Board of Health and Community Health Advisory Board of Island County](#)**

\*\*\*\*\*

**SPECIAL WORK SESSION – MAY 23, 2016 AT 1:00 P.M.**

Location: Board of County Commissioners Hearing Room (Room 102B Basement), Island County Annex Bldg., 1 NE 6<sup>th</sup> Street, Coupeville, WA

The Board of Island County Commissioners will meet in Special Session on Monday, May 23, 2016 beginning at 1:00 p.m. The purpose of the Special Session is to meet in a Joint Workshop with the Island County Planning Commission to discuss:

- Update on the Comprehensive Plan process
- Workshop on the Critical Areas Ordinance policy options, potential selections of options to draft code and policy updates
- Review and discussion on preliminary draft Island County Comprehensive Plan chapters
- Review and discussion on preliminary working draft of the Freeland Subarea Plan
- Discussion on next steps for the Comprehensive Plan Update

For meeting materials please visit the [Planning Commission Website](#)

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**ISLAND COUNTY BOARD OF COUNTY COMMISSIONERS**  
**Meeting Agenda – May 17, 2016**

Debbie Thompson - Clerk of the Board of County Commissioners (360) 679-7385

NOTICE: Persons with disabilities requiring elevator access to the Hearing Room, please call twenty-four (24) hours prior to the scheduled event: (360) 678-7919 from North Whidbey; (360) 629-4522 Ext. #7919 from Camano Island; or (360) 321-5111 Ext. #7919 from South Whidbey

COUNTY OF ISLAND  
STATE OF WASHINGTON  
EXPENDITURE APPROVALS  
May 17, 2016

We, the undersigned Board of County Commissioners of Island County, Washington, do hereby certify that the materials have been furnished, the services rendered, or the labor performed as described herein, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the COUNTY OF ISLAND. All warrants issued are payment of previously approved vouchers. A detail of all vouchers, warrants and payroll records is available in the County Auditor's office.

VOUCHER APPROVALS					
Department		Department		Department	Amount
Assessor	\$ 811.71	Facilities	\$ 7,311.51	Planning	\$ 20,393.00
Auditor	\$ 7,066.55	Non Departmental (90)		Prosecuting Attorney	\$ 1,150.81
Budget		GSA	\$ 49,552.95	Public Health	\$ 8,631.51
Clerk		Human Resources	\$ 890.59	Public Works	\$ 250,653.66
Commissioners	\$ 2,000.00	Human Services	\$ 36,027.55	Sheriff	\$ 22,874.58
Coroner	\$ 88.57	Information Technology	\$ 7,778.73	Superior Court/Juvenile	\$ 4,167.53
District Court		Miscellaneous (Comm)	\$ 50,747.50	Treasurer	\$ 541.73
Emergency Management	\$ 263.64	Natural Resources	\$ 1,610.56		
Extension Services	\$ 389.90	Non Departmental (00)	\$ 200,514.87		
<b>Total</b>					<b>\$ 673,467.45</b>

WARRANT APPROVALS				
	Warrant #		Warrant #	
	509333	through	509641	\$ 309,006.34
<b>Total</b>				<b>\$ 309,006.34</b>

EFT APPROVALS			
Description		Fund	
EFT Debit Card Settlement Date 5/5/2016		997	\$ 300.10
EFT Debit Card Settlement Date 5/6/2016		997	\$ 90.67
EFT Debit Card Settlement Date 5/7/2016		997	\$ 390.37
EFT Debit Card Settlement Date 5/8/2016		997	\$ 80.02
EFT Debit Card Settlement Date 5/9/2016		997	\$ 42.81
EFT Debit Card Settlement Date 5/10/2016		997	\$ 39.17
EFT Debit Card Settlement Date 5/11/2016		997	\$ 481.84
EFT Payroll Taxes Pay Date 5/13/2016		997	\$ 229,783.81
EFT Regional Disposal Settlement Date 5/4/2016		401	\$ 259,174.69
<b>Total</b>			<b>\$ 490,383.48</b>

PAYROLL APPROVALS				
Description Pay Period	Apr 17 - Apr 30, 2016 Pd: May 13, 2016			
Warrants	41938	through	41946	\$ 10,595.41
Direct Deposit				\$ 620,496.83
<b>Total</b>				<b>\$ 631,092.24</b>

APPROVED this 17th day of May 2016.

BOARD OF COUNTY COMMISSIONERS  
ISLAND COUNTY, WASHINGTON

\_\_\_\_\_  
Richard M. Hannold, Chair

\_\_\_\_\_  
Jill Johnson, Member

\_\_\_\_\_  
Helen Price Johnson, Member

ATTEST:

\_\_\_\_\_  
Debbie Thompson, Clerk of the Board



ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL

MEETING DATE: 5/17/16

CONSENT AGENDA  
 REGULAR AGENDA  
 PUBLIC HEARING/MTG  
 RESOLUTION/ORDINANCE NO

<b>DEPARTMENT:</b> Human Services	
<b>DIVISION:</b> <i>(if applicable)</i> Housing Assistance Funding	
<b>STAFF CONTACT:</b> Catherine Reid	
<b>AGENDA SUBJECT:</b> Contract No. NORTH SOUND BHO-ISLAND-MHBG-16-17 with North Sound Behavioral Health Organization, LLC in the amount of \$91,480 to provide housing and supportive employment services to homeless households with mental health challenges from April 1, 2016 – June 30, 2017.	
<b>BACKGROUND/SUMMARY:</b>	<b>WORK SESSION DATE:</b> <i>(if applicable)</i> <u>N/A</u>
Island County and NSMHA had contracts for this program from July 1, 2013 – June 30, 2015 and July 1, 2015 – March 31, 2016. This contract provides funding for this program through June 2017 with the new Behavioral Health Organization.	
<b>FISCAL IMPACT/FUNDING SOURCE:</b> This is a grant to Island County.	
<b>RECOMMENDED ACTION:</b>	
<input checked="" type="checkbox"/>	Approve/Adopt
<input type="checkbox"/>	Schedule Public Hearing/Meeting
<input type="checkbox"/>	Continue Public Hearing/Meeting
<input type="checkbox"/>	Information/Discussion
<input type="checkbox"/>	Other <i>(describe)</i> _____
<b>SUGGESTED MOTION:</b>	

[BELOW TO BE COMPLETED BY CLERK OF BOARD]

BOCC ACTION:

- APPROVED
- DENIED
- TABLED/DEFERRED/NO ACTION TAKEN
- CONTINUED TO DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ TIME: \_\_\_\_\_
- OTHER \_\_\_\_\_

NORTH SOUND  
BEHAVIORAL HEALTH ORGANIZATION, LLC  
(North Sound BHO)

93.958 COMMUNITY MENTAL HEALTH  
BLOCK GRANT (MHBG) CONTRACT

WITH  
ISLAND COUNTY

CONTRACT #NORTH SOUND BHO-ISLAND CO-MHBG-16-17

APRIL 1, 2016 TO JUNE 30, 2017

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Exhibit A – Statement of Work

Exhibit B – Title V, Section 1913

Exhibit C – Independent Peer Review Procedures

Exhibit D – Expenditure Report Form

Exhibit E – SAMHSA's 10 Fundamental Components of Recovery

Exhibit F – Deliverables

Exhibit G – MHBG Progress Report Template

1 93.958 COMMUNITY MENTAL HEALTH SERVICES  
2 MHBG CONTRACT  
3  
4

5 THIS BEHAVIORAL HEALTH SERVICES CONTRACT (the "Contract"), pursuant to Chapter 71.24 RCW  
6 and all relevant and associated statutes, as amended, is made and entered into by and between the  
7 NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC, (North Sound BHO) 301 Valley Mall Way,  
8 Ste. 110, Mount Vernon, Washington 98273-5462 and ISLAND COUNTY (Contractor), PO Box 5000,  
9 Coupeville, WA 98239.  
10

11 This Contract incorporates the Contract's Exhibits to the Contract and other documents incorporated  
12 by reference.  
13

14 The effective date of this Contract is April 1, 2016, through June 30, 2017.  
15

16 **A. DEFINITIONS**

17 The words and phrases listed below, as used in the Contract, shall each have the following  
18 definitions.  
19

20 Contract means this document, the General Terms and Conditions, and any Special Terms and  
21 Conditions, including any Exhibits and other documents attached or incorporated by reference.  
22

23 Behavioral Health Agency means an agency that is licensed by the State of Washington to provide  
24 mental health and/or substance use disorder treatment and is subcontracted under this contract  
25 to provide services.  
26

27 Behavioral Health Administration or BHA means the DSHS Administration governing mental  
28 health and substance use disorder services, and its employees and authorized agents.  
29

30 BHO Advisory Board according to RCE 71.24.300 Section (4) means the behavioral health advisory  
31 board appointed by each BHO, which reviews and provides comments on plans and policies  
32 related to service delivery and outcomes. As per WAC 388-865-0222, the BHO must promote  
33 active engagement with persons with behavioral disorders, their families, and service providers  
34 by soliciting and using input to improve its services, and appoints a BHO Advisory Board to fulfill  
35 this purpose.  
36

37 Code of Federal Regulations (CFR) means all references in this Contract to CFR chapters or  
38 sections shall include any successor, amended, or replacement regulation. The CFR may be  
39 accessed at <http://www.gpoaccess.gov/cfr/index.html>.  
40

41 Cost Reimbursement means the subcontractor is reimbursed for actual expenses up to the  
42 maximum consideration allowed in the contract.  
43

44 Cultural Competence means a set of congruent behaviors, attitudes and policies that come  
45 together in a system or agency and enable that system or agency to work effectively in cross-

1 cultural situations. A culturally competent system of care acknowledges and incorporates at all  
2 levels the importance of language and culture, assessment of cross-cultural relations, knowledge  
3 and acceptance of dynamics of cultural differences, expansion of cultural knowledge and  
4 adaptation of services to meet culturally unique needs.

5  
6 Debarment means an action taken by a federal official to exclude a person or business entity from  
7 participating in transactions involving certain federal funds.

8  
9 Department of Social and Health Services (DSHS) or the department or the Department means  
10 DSHS of the State of Washington and its Secretary, officers, employees and authorized agents.

11  
12 For Profit means of business or institution initiated or operated for the purpose of making a  
13 profit.

14  
15 Health and Recovery Services Administration (HRSA) means the DSHS Administration governing  
16 public health care, mental health care, substance abuse services its employees and authorized  
17 agents.

18  
19 Housing Services means the services or activities designed to assist individuals or families in  
20 locating, obtaining or retaining suitable housing. Component services or activities may include  
21 tenant counseling, helping individuals and families to identify and correct substandard housing  
22 conditions on behalf of individuals and families who are unable to protect their own interests and  
23 assisting individuals and families to understand leases, secure utilities and make moving  
24 arrangements.

25  
26 Independent Peer Review means to assess the quality, appropriateness and efficiency of  
27 treatment services provided in the State to individuals under the program involved.

28  
29 Individual means a person who applies for, is eligible for or receives BHO authorized behavioral  
30 health services from an agency licensed by the Department as a BHA. In the case of a minor, the  
31 individual's parent or, if applicable, the individuals' custodial parent.

32  
33 Mental Health Block Grant (MHBG) means those funds granted by the Secretary of the  
34 Department of Health and Human Services (DHHS), through the Center for Mental Health Services  
35 (CMHS), Substance Abuse and Mental Health Services Administration (SAMHSA), to states to  
36 establish or expand an organized community-based system for providing mental health services  
37 for adults with Serious Mental Illness (SMI) and children with Serious Emotional Disorder (SED).  
38 States must submit an application in accordance with the law for each fiscal year for which they  
39 seek MHBG funds. Awarded MHBG funds must be used to carry out the State plan contained  
40 within the application, to evaluate programs and services set in place under the plan, and to  
41 conduct planning, administration, and educational activities related to the provision of services  
42 under the plan

43  
44 Performance-based means the subcontractor is compensated on attainment of specific outcomes.

45  
46 Personal Information means information identifiable to any person, including, but not limited to,  
47 information that relates to a person's name, health, finances, education, business, use or receipt

1 of governmental services or other activities, addresses, telephone numbers, social security  
2 numbers, driver license numbers, other identifying numbers, and any financial identifiers.

3  
4 Revised Code of Washington (RCW) means all references in this Contract to RCW chapters or  
5 sections shall include any successor, amended, or replacement statute. The RCW can be accessed  
6 at <http://slc.leg.wa.gov>  
7

8 Recovery means the processes through which people are able to live, work, learn, and participate  
9 fully in their communities.

10  
11  
12 Resiliency means the personal and community qualities that enable individuals to rebound from  
13 adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

14  
15 Secretary means the individual appointed by the Governor, State of Washington, as the head of  
16 DSHS, or his/her designee.

17  
18 Serious Emotionally Disturbed (SED) means, according to Federal Register Vol. 58, No. 96, May 20,  
19 1993, children from birth up to age 18 who have a diagnosable mental, behavioral, or emotional  
20 disorder of sufficient duration to meet diagnostic criteria specified within DSM III-R, that result in  
21 functional impairment which substantially interferes with or limits the child's role or functioning  
22 in family, school, or community activities.

23  
24 Serious Mental Illness (SMI) means, according to Federal Register Vol. 58, No. 96, May 20, 1993,  
25 persons age 18 and over who currently, or at any time during the past year, have a diagnosable  
26 mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria  
27 specified within DSM III-R, that has resulted in functional impairment which substantially limits  
28 one or more major life activities.

29  
30 Subcontract means a separate contract between the Contractor and an individual or entity  
31 (subcontractor) to perform all or a portion of the duties and obligations that the Contractor shall  
32 perform pursuant to this Contract.

33  
34 Washington Administrative Code (WAC) means all references in this Contract to WAC chapters or  
35 sections shall include any successor, amended, or replacement regulation. The WAC can be  
36 accessed at <http://slc.leg.wa.gov>.  
37

1 B. GENERAL TERMS AND CONDITIONS FOR CONTRACTOR

2  
3 1. BACKGROUND

4 North Sound BHO is an entity formed by inter-local contract between Island, San Juan, Skagit,  
5 Snohomish and Whatcom Counties, each county authority recognized by the Secretary of  
6 Department of Social and Health Services (Secretary). These counties entered into an inter-  
7 local contract to allow North Sound BHO to contract with the Secretary pursuant to RCW  
8 71.24.025(13), to operate a single managed system of services for persons with mental illness  
9 living in the service area covered by Island, San Juan, Skagit, Snohomish and Whatcom  
10 Counties (Service Area). North Sound BHO is party to an interagency contract with the  
11 Secretary, pursuant to which North Sound BHO has agreed to provide integrated community  
12 support, crisis response, and inpatient management services to people needing such services  
13 in its Service Area. North Sound BHO, through this Contract, is subcontracting with  
14 Contractor for the provision of specific mental health services as required by the contract with  
15 the Secretary. Contractor by signing this Contract attests that they are willing and able to  
16 provide such services in the Service Area.  
17

18 2. MUTUAL COMMITMENTS

19 The parties to this Contract are mutually committed to the development of an efficient, cost  
20 effective, integrated, person-driven, age specific recovery and resilience model approach to  
21 the delivery of quality community mental health services. To that end, the parties are  
22 mutually committed to maximizing the availability of resources to provide needed mental  
23 health services in the Service Area, maximizing the portion of those resources used for the  
24 provision of direct services and minimizing duplication of effort.  
25

26 3. ASSIGNMENT

27 Except as otherwise provided within this Contract, this Contract may not be assigned,  
28 delegated, or transferred by Contractor without the express written consent of North Sound  
29 BHO, and any attempt to transfer or assign this Contract without such consent shall be void.  
30 The terms "assigned", "delegated", or "transferred" shall include change of business structure  
31 to a limited liability company, of any Contractor Member or Affiliate Agency.  
32

33 4. AUTHORITY

34 Concurrent with the execution of this Contract, Contractor shall furnish North Sound BHO  
35 with a copy of the explicit written authorization of their governing bodies to enter into this  
36 Contract and accept the financial risk and responsibility to carry out all terms of this Contract  
37 including the ability to pay for all expenses incurred during the contract period. Likewise,  
38 concurrent with the execution of this Contract, North Sound BHO shall furnish Contractor with  
39 a written copy of the motion, resolution, or ordinance passed by North Sound BHO Board of  
40 Directors (North Sound BHO Board) authorizing North Sound BHO to execute this Contract.  
41

1 5. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND OPERATIONAL POLICIES

2 Contractor and their subcontractors shall comply with all applicable federal and state statutes,  
3 regulations and operational policies whether or not a specific citation is identified in various  
4 sections of this Contract, and all amendments thereto that are in effect when the Contract is  
5 signed, or that come into effect during the term of the Contract, which may include but are  
6 not limited to, the following:

- 7
- 8 a. Title XIX and Title XXI of the Social Security Act and Title 42 of the Code of Federal  
9 Regulations.
  - 10 b. All applicable Office of the Insurance Commissioner (OIC) statutes and regulations.
  - 11 c. All local, State and Federal professional and facility licensing and certification  
12 requirements/standards that apply to services performed under the terms of this  
13 Contract.
  - 14 d. Comply with the Omnibus Crime Control and Safe Streets Act of 1968; Title VI of the Civil  
15 Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; title II of the Americans  
16 with Disabilities Act of 1990; Title IX of the Education Amendments of 1972; The Age  
17 Discrimination Act of 1975; and The Department of Justice Non-Discrimination  
18 Regulations of 28 CFR Part 42, Subparts C, D, E and G and 28 CFR Parts 35 and 39 (see  
19 <http://www.ojp.usdoj.gov/about/offices/ocr.htm> for additional information and access to  
20 the aforementioned federal laws and regulations).
  - 21 e. Those specified in Title 18 RCW for professional licensing.
  - 22 f. Reporting of abuse as required by RCW 26.44.030.
  - 23 g. Industrial insurance coverage as required by Title 51 RCW.
  - 24 h. RCW 38.52, 70.02 and 71.24.
  - 25 i. WAC 388-865, 887 and 877A.
  - 26 j. 42 CFR 438, including 438.58 (conflict of interest) and 438.106 (physician incentive  
27 plans).
  - 28 k. The State Medicaid Manual (SMM), Office of Management and Budget (OMB) Circulars,  
29 the Budgeting, Accounting, and Reporting System (BARS) Manual, and BARS  
30 Supplemental Mental Health Instructions.
  - 31 l. Federal and State non-discrimination laws and regulations.
  - 32 m. The Health Insurance Portability and Accountability Act (HIPAA), 45 CFR parts 160-164.
  - 33 n. DBHR-CIS Data Dictionary and its successors.
  - 34 o. Federal funds must not be used for any lobbying activities.
- 35

36 If Contractor is in violation of a federal law or regulation and Federal Financial Participation is  
37 recouped, Contractor shall reimburse the federal amount to North Sound BHO within 20 days  
38 of recoupment. Upon notification from DSHS, North Sound BHO shall notify Contractor in  
39 writing of changes/modifications in DSHS/DBHR policies and/or contract requirement  
40 changes.

41

1       **6. COMPLIANCE WITH NORTH SOUND BHO OPERATIONAL POLICIES**

2       Contractor shall comply with all North Sound BHO operational policies that pertain to the  
3       delivery of services under this Contract that are in effect when the Contract is signed or that  
4       come into effect during the term of the Contract.

5       Along with all North Sound BHO stakeholders, Contractor will be included in the process for  
6       developing relevant operational policies and procedures. North Sound BHO's policies and  
7       procedures are posted on North Sound BHO's website. North Sound BHO shall notify  
8       Contractor of new and revised policies, if applicable to the services provided under this  
9       Contract, through its numbered memoranda. Training will be provided on policies that impact  
10      providers.

11  
12      North Sound BHO will make best efforts to maintain currency of policies with applicable  
13      federal or state law, regulation or policy. In the event of a conflict, federal or state laws,  
14      regulations or policies supersede North Sound BHO policies and procedures.

15  
16      **7. CONFIDENTIALITY OF CLIENT INFORMATION**

17      The parties shall not use, publish, sell or otherwise disclose any confidential information  
18      gained by reason of this Contract for any purpose that is not directly connected with the  
19      performance of the services contemplated there under, except:

- 20  
21      a. As provided by law, or  
22      b. In the case of Personal Information, as provided by law or with prior written consent of  
23      the person or personal representative who is subject of the Personal Information.

24  
25      The parties shall protect and maintain all Confidential Information gained by reason of this  
26      Contract against unauthorized use, access, disclosure, modification or loss. This duty requires  
27      the parties to employ reasonable security measures, which include restricting access to the  
28      Confidential Information by:

- 29  
30      a. Allowing access only to staff that have an authorized business requirement to view the  
31      Confidential Information.  
32      b. Physically securing any computers, documents, or other media containing the  
33      Confidential Information.

34  
35      To the extent allowed by law, at the end of the Contract term, or when no longer needed, the  
36      parties shall return Confidential Information or certify in writing the destruction of  
37      Confidential Information upon written requests by the other party.

38  
39      Paper documents with Confidential Information may be recycled through a contracted firm,  
40      provided the contract with the recycler specifies that the confidentiality of information will be  
41      protected and the information destroyed through the recycling process. Paper documents  
42      containing Confidential Information requiring special handling (i.e., protected health  
43      information) must be destroyed through shredding, pulping or incineration.

1 The compromise or potential compromise of Confidential Information must be reported to  
2 North Sound BHO contact designated on this Contract within 5 business days of discovery for  
3 breaches less than 500 persons' protected data and 3 business days of discovery for breaches  
4 of over 500 persons' protected data. The parties must also take actions to mitigate the risk of  
5 loss and comply with any notification or other requirements imposed by law.

6 Contractor shall assure that all staff and subcontractors providing mental health services  
7 under this Contract receive annual training on confidentiality policies and procedures. In  
8 addition, Contractor shall assure that all staff and subcontractors providing mental health  
9 services under this Contract sign an annual Oath of Confidentiality statement. Signed copies  
10 of the Oath of Confidentiality shall be kept in Contractor's personnel files.  
11

#### 12 **8. CONTRACT PERFORMANCE/ENFORCEMENT**

13 North Sound BHO shall be vested with the rights of a third party beneficiary, including the  
14 "cut through" right to enforce performance should Contractor be unwilling or unable to  
15 enforce action on the part of its/their subcontractor(s). In the event that Contractor dissolves  
16 or otherwise discontinues operations, North Sound BHO may, at its sole option, assume the  
17 right to enforce the terms and conditions of this Contract directly with Contractor. Contractor  
18 shall include this clause in their contracts with their subcontractors. In the event of the  
19 dissolution of Contractor, North Sound BHO's rights in indemnification shall survive.  
20

#### 21 **9. COOPERATION**

22 The parties to this Contract shall cooperate in good faith to effectuate the terms and  
23 conditions of this Contract.  
24

#### 25 **10. DEBARMENT CERTIFICATION**

26 Contractor, by signature to this Contract, certifies Contractor and any Owners are not presently  
27 debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any  
28 Federal department or agency from participating in transactions (Debarred) and is not listed in the  
29 Excluded Parties List System in the System for Award Management (SAM) website. Contractor shall  
30 immediately notify North Sound BHO if, during the term of this Contract, Contractor becomes  
31 debarred.  
32

#### 33 **11. EXECUTION, AMENDMENT AND WAIVER**

34 This Contract shall be binding on all parties only upon signature by authorized representatives  
35 of each party. This Contract, or any provision, may be amended during the contract period, if  
36 circumstances warrant, by a written amendment executed by all relevant parties. Only North  
37 Sound BHO's Program Manager or North Sound BHO's Program Manager's designee has  
38 authority to waive any provision of this Contract on behalf of North Sound BHO.  
39

#### 40 **12. HEADINGS AND CAPTIONS**

41 The headings and captions used in this Contract are for reference and convenience only, and  
42 in no way define, limit, or decide the scope or intent of any provisions or sections of this  
43 Contract.  
44

1 **13. INDEMNIFICATION**

2 Contractor shall be responsible for and shall indemnify and hold North Sound BHO harmless  
3 (including all costs and attorney fees) from all claims for personal injury, property damage  
4 and/or disclosure of confidential information, including claims against North Sound BHO for  
5 the negligent hiring, retention and/or supervision of the Contractor and/or from the  
6 imposition of governmental fines or penalties resulting from the acts or omissions of  
7 Contractor and its subcontractors related to the performance of this contract. North Sound  
8 BHO shall be responsible and shall indemnify and hold Contractor harmless (including all costs  
9 and attorney fees) from all claims for personal injury, property damage and disclosure of  
10 confidential information and from the imposition of governmental fines or penalties resulting  
11 from the acts or omissions of North Sound BHO. Except to the extent caused by the gross  
12 negligence and/or willful misconduct of North Sound BHO, Contractor, shall indemnify and  
13 hold North Sound BHO harmless from any claims made by non-participating BHAs related to  
14 the provision of services under this Contract. For the purposes of these indemnifications, the  
15 Parties specifically and expressly waive any immunity granted under the Washington  
16 Industrial Insurance Act, Title 51 RCW. This waiver has been mutually negotiated and agreed  
17 to by the Parties. The provision of this section shall survive the expiration or termination of  
18 the Contract.

19  
20 **14. INDEPENDENT CONTRACTOR FOR NORTH SOUND BHO**

21 The parties intend that an independent Contractor relationship be created by this contract.  
22 Contractor acknowledges that Contractor is not officers, employees, or agents of North Sound  
23 BHO. Contractor shall not hold Contractor or any of Contractor's employees out as, nor claim  
24 status as, officers, employees, or agents of North Sound BHO. Contractor shall not claim for  
25 Contractor or Contractor's employees any rights, privileges, or benefits, which would accrue  
26 to an employee of North Sound BHO. Contractor shall indemnify and hold North Sound BHO  
27 harmless from all obligations to pay or withhold Federal or State taxes or contributions on  
28 behalf of Contractor or Contractor's employees and subcontractors unless specified in this  
29 Contract.

30  
31 **15. INSURANCE**

32 North Sound BHO certifies it is a member of Washington Governmental Entity Pool for all  
33 exposure to tort liability, general liability, property damage liability, and vehicle liability, if  
34 applicable, as provided by RCW 43.19.

35  
36 Contractor shall maintain Commercial General Liability Insurance (CGL). If the Contractor is  
37 not a member of a risk pool, the Contractor shall carry CGL to include coverage for bodily  
38 injury, property damage, and contractual liability, with the following minimum limits: Each  
39 Occurrence - \$1,000,000; General Aggregate - \$2,000,000. Any risk pool shall provide  
40 coverage with the same minimum limits. Any policy (non-risk pool and risk pool) shall include  
41 liability arising out of premises, operations, independent Contractors, personal injury,  
42 advertising injury, and liability assumed under an insured contract. Contractor shall provide  
43 evidence of such insurance to North Sound BHO within 15 days of execution of this Contract

1 and 15 days post renewal date thereafter. All non-risk pool policies shall name North Sound  
2 BHO as a covered entity under said policy(s).

3  
4 **16. INTEGRATION**

5 This Contract, including Exhibits, contains all the terms and conditions agreed upon by the  
6 parties. No other understandings, oral or otherwise, regarding the subject matter of this  
7 Contract shall be deemed to exist or to bind any of the parties hereto.

8  
9 **17. MAINTENANCE OF RECORDS**

10 During the term of this Contract and for six (6) years following termination or expiration of  
11 this Contract, if any audit, claim, litigation, or other legal action involving the records is  
12 started before expiration of the six (6) year period, the records shall be maintained until  
13 completion and resolution of all issues arising there from or until the end of the six (6) year  
14 period, whichever is later. Contractor shall maintain records sufficient to:

- 15  
16 a. Maintain the content of all Medical Records in a manner consistent with utilization  
17 control requirements of 42 CFR 456, 434.34 (a), 456.111 and 456.211.  
18 b. Document performance of all acts required by law, regulation, or this Contract.  
19 c. Substantiate Contractor statement of their organizations' structures, tax status,  
20 capabilities and performance.  
21 d. Demonstrate accounting procedures, practices and records, which sufficiently and  
22 properly document Contractor invoices to North Sound BHO and all expenditures made  
23 by Contractor to perform as required by this Contract.  
24 e. Contractor and their subcontractors shall cooperate in all reviews including, but not  
25 limited to, surveys and research conducted by North Sound BHO, DSHS, or other  
26 Washington State Departments.  
27 f. Evaluations shall be done by inspection or other means to measure quality,  
28 appropriateness and timeliness of services performed under this Contract and to  
29 determine whether Contractor and their subcontractors are providing service to  
30 individuals in accordance with the requirements set forth in this Contract and applicable  
31 state and federal regulations as existing or hereafter amended.

32  
33 **18. NO WAIVER OF RIGHTS**

34 A failure by either party to exercise its rights under this Contract shall not preclude that party  
35 from subsequent exercise of such rights and shall not constitute a waiver of any other rights  
36 under this Contract unless stated to be such in writing signed by an authorized representative  
37 of the party and attached to the original Contract.

38  
39 Waiver of any breach of any provision of this Contract shall not be deemed to be a waiver of  
40 any subsequent breach and shall not be construed to be a modification of the terms and  
41 conditions of this Contract.

1 **19. ONGOING SERVICES**

2 Contractor and their subcontractors shall ensure that in the event of labor disputes or job  
3 actions, including work slowdowns, so called "sick outs", or other activities, within its service  
4 network, uninterrupted services shall be available as required by the terms of this Contract.  
5

6 **20. ORDER OF PRECEDENCE**

7 In the event of an inconsistency in the terms of this Contract, or any inconsistency between  
8 the terms of this Contract and any applicable statute, rule, or contract, unless otherwise  
9 provided herein, the conflict shall be resolved by giving precedence in the following order, to:

- 10
- 11 a. The applicable Medicaid 1915(b) Waiver, Provisions of Title XIX of the Social Security Act
  - 12 and Federal regulations concerning the operations of Prepaid Inpatient Health Plans.
  - 13 b. State statutes and regulations concerning the operation of the community mental health
  - 14 programs.
  - 15 c. Other applicable Federal, State, or local law.
  - 16 d. North Sound BHO-DSHS contract, or its successors, that covers the provision of the
  - 17 mental health services covered under this Contract, which shall include any exhibit,
  - 18 document, or material incorporated by reference.
  - 19 e. This Contract.
- 20

21 **21. OVERPAYMENTS**

22 In the event Contractor fails to comply with any of the terms and conditions of this Contract  
23 and that failure results in an overpayment, North Sound BHO may recover the amount due  
24 DSHS, CMS, or other federal or state agency. In the case of overpayment, Contractor shall  
25 cooperate in the recoupment process and return to North Sound BHO the amount due upon  
26 demand.  
27

28 **22. OWNERSHIP OF MATERIALS**

29 Materials created by Contractor and their subcontractors and paid for by North Sound BHO as  
30 a part of this Contract shall be owned by North Sound BHO and shall be, "works for hire" as  
31 defined by the U.S. Copyright Act of 1976. This material includes, but is not limited to: books,  
32 computer programs, documents, films, pamphlets, reports, sound reproductions, studies,  
33 surveys, tapes and/or training materials. Contractor or relevant subcontractors own material  
34 which Contractor and their subcontractors use to perform this Contract, but which is not  
35 created for or paid for by North Sound BHO; however, North Sound BHO and DSHS shall have  
36 a perpetual license to use this material for DSHS internal purposes at no charge to DSHS.  
37

38 **23. PERFORMANCE**

39 Contractor shall furnish the necessary personnel, materials and/or mental health services and  
40 otherwise do all things for, or incidental to, the performance of the work set forth here and as  
41 attached. Unless specifically stated, Contractor is responsible for performing or ensuring all  
42 fiscal and program responsibilities required in this contract. No subcontract will terminate the  
43 legal responsibility of Contractor to perform the terms of this Contract.  
44

1       **24. RESOLUTION OF DISPUTES**

2       The parties wish to provide for prompt, efficient, final and binding resolution of disputes or  
3       controversies that may arise under this Contract and therefore establish this dispute  
4       resolution procedure. All claims, disputes and other matters in question between the parties  
5       arising out of, or relating to, this Contract shall be resolved exclusively by the following  
6       dispute resolution procedure unless the parties mutually agree in writing otherwise:  
7

- 8           a. The parties shall use their best efforts to resolve issues prior to giving written Notice of  
9           Dispute.  
10          b. Within 10 working days of receipt of the written Notice of Dispute, the parties (or a  
11           designated representative) shall meet, confer and attempt to resolve the claim.  
12          c. The terms of the resolution of all claims concluded in meetings shall be memorialized in  
13           writing and signed by each party.  
14

15       Arbitration: If the claim is not resolved within 30 days, the parties shall proceed to arbitration  
16       as follows:  
17

- 18          a. Demand for arbitration shall be made in writing to the other party. The parties shall  
19           select one person as arbitrator.  
20          b. If there is a delay of more than 10 days in the naming of any arbitrator, either party can  
21           ask the presiding judge of Skagit County to name any remaining arbitrator(s).  
22          c. The prevailing party shall be entitled to recover from the other party all costs and  
23           expenses, including reasonable attorney fees. The arbitrators shall determine which  
24           party, if any, is the prevailing party.  
25          d. The parties agree that the arbitrators' decision shall be binding, final and appealable to  
26           Skagit County Superior Court only as provided in Chapter 7.04A RCW.  
27          e. Unless the parties agree in writing otherwise, the unresolved claims in each notice of  
28           dispute shall be considered at an arbitration session which shall occur in Skagit County  
29           no later than 30 days after the close of the meeting described in paragraph (b) above.  
30          f. The Provisions of this section shall, with respect to any controversy or claim, survive the  
31           termination or expiration of this Contract.  
32          g. Nothing contained in this Contract shall be deemed to give the arbitrator the power to  
33           change any of the terms and conditions of this Contract in any way.  
34          h. The prevailing party in any action to compel arbitration or to enforce an arbitration  
35           award shall be awarded its costs, including attorney fees. Venue for any such action is  
36           exclusively Skagit County Superior Court.  
37          i. This Contract shall be governed by laws of the State of Washington, both as to  
38           interpretation and performance.  
39

40       **25. SEVERABILITY AND CONFORMITY**

41       The provisions of this Contract are severable. If any provision of this Contract, including any  
42       provision of any document incorporated by reference is held invalid by any court, that  
43       invalidity shall not affect the other provisions of this Contract and the invalid provision shall  
44       be considered modified to conform to existing law.

1  
2 **26. SINGLE AUDIT ACT**

3 If Contractor or their subcontractor is a sub-recipient of Federal awards as defined by Office  
4 of Management and Budget (OMB) Circular A-133, Contractor and their subcontractors shall  
5 maintain records that identify all Federal funds received and expended. Said funds shall be  
6 identified by the appropriate OMB Catalog of Federal Domestic Assistance titles and numbers,  
7 the award names and numbers and award years, if awards are for research and development,  
8 as well as, names of the Federal agencies. Contractor and their subcontractors shall make  
9 Contractor and their subcontractors' records available for review or audit by officials of the  
10 Federal awarding agency, the General Accounting Office and DSHS. Contractor and their  
11 subcontractors shall incorporate OMB Circular A-133 audit requirements into all contracts  
12 between Contractor and their subcontractors who are sub-recipients. Contractor and their  
13 subcontractors shall comply with any future amendments to OMB Circular A-133 and any  
14 successor or replacement Circular or regulation.  
15

16 If Contractor and/or their subcontractors are a sub-recipient and expends \$500,000 or more  
17 in Federal awards from any and/or all sources in any fiscal year, Contractor and applicable  
18 subcontractors shall procure and pay for a single audit for that fiscal year. Upon completion  
19 of each audit, Contractor and applicable subcontractors shall submit to North Sound BHO's  
20 Program Manager a copy of their audited financial statements.  
21

22 For purposes of "sub-recipient" status under the rules of OMB Circular A-133 205(i) Medicaid  
23 payments to a sub-recipient for providing patient care services to Medicaid eligible individuals  
24 are not considered Federal awards expended under this part of the rule unless a State  
25 requires the fund to be treated as Federal awards expended because reimbursement is on a  
26 cost-reimbursement basis.  
27

28 **27. SUBRECIPIENTS**

29 General – If the Contractor is a sub-recipient of federal awards as defined by OMB Circular A-  
30 133 and this Contract, the Contractor shall:  
31

- 32 a. Maintain records that identify, in its accounts, all federal awards received and expended  
33 and the federal programs under which they were received, by Catalog of Federal  
34 Domestic Assistance (CFDA) title and number, award number and year, name of the  
35 federal agency, and name of the pass-through entity;
- 36 b. Maintain internal controls that provide reasonable assurance that the Contractor is  
37 managing federal awards in compliance with laws, regulations, and provisions of  
38 contracts or grant contracts that could have a material effect on each of its federal  
39 programs;
- 40 c. Prepare appropriate financial statements, including a schedule of expenditures of  
41 federal awards;
- 42 d. Incorporate OMB Circular A-133 audit requirements into all contracts between the  
43 Contractor and its Subcontractors who are sub-recipients;
- 44 e. Comply with any future amendments to OMB Circular A-133 and any successor or  
45 replacement Circular or regulation;

- 1 f. Comply with the applicable requirements of OMB Circular A-87 and any future  
2 amendments to OMB Circular A-87, and any successor or replacement Circular or  
3 regulation; and  
4 g. Comply with the Omnibus Crime Control and Safe Streets Act of 1968; Title VI of the Civil  
5 Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II of the  
6 Americans with Disabilities Act of 1990; Title IX of the Education Amendments of 1972;  
7 The Age Discrimination Act of 1975; and The Department of Justice Non-Discrimination  
8 Regulations, 28 CFR Part 42, Subparts C D E, and G, and 28 CFR Part 35 and Part 39. (See  
9 [www.ojp.usdoj/gov/ocr](http://www.ojp.usdoj/gov/ocr) for additional information and access to the aforementioned  
10 Federal laws and regulations.)  
11

## 12 28. SUBCONTRACTS

13 Contractor may subcontract services to be provided under this Contract subject to the  
14 following requirements.  
15

- 16 a. Contractor shall be responsible for the acts and omissions of any subcontractor.  
17 b. Contractor must ensure that the subcontractor neither employs any person nor  
18 contracts with any person or Community Mental Health Agency (CMHA) excluded from  
19 participation in federal health care programs under either 42 USC 1320a-7 (§§1128 or  
20 1128A Social Security Act) or debarred or suspended per this Contract's General Terms  
21 and Conditions.  
22 c. Contractor shall require subcontractors to comply with all applicable federal and state  
23 laws, regulations and operational policies as specified in this Contract.  
24 d. Contractor shall require subcontractors to comply with all applicable North Sound BHO  
25 operational policies as specified in this Contract, including travel standards and access  
26 standards.  
27 e. Contractor shall oversee, be accountable for and monitor all functions and  
28 responsibilities delegated to a subcontractor on an ongoing basis including formal  
29 reviews.  
30 f. Contractor will monitor performance of the subcontractors on an annual basis and notify  
31 North Sound BHO of any identified deficiencies or areas for improvement requiring  
32 corrective action by Contractor.  
33 g. Contractor shall ensure that all subcontracts are in writing and that subcontracts specify  
34 all duties, reports and responsibilities delegated under this Contract. Those written  
35 subcontracts shall:  
36  
37 i. Require subcontractors to hold all necessary licenses, certifications and/or permits  
38 as required by law for the performance of the services to be performed under this  
39 Contract.  
40 ii. Include clear means to revoke delegation, impose corrective action, or take other  
41 remedial actions if the subcontractor fails to comply with the terms of the  
42 subcontract.  
43 iii. Require that the subcontractor correct any areas of deficiencies in the  
44 subcontractor's performance that are identified by Contractor, North Sound BHO  
45 and/or DBHR.

1  
2 **29. SURVIVABILITY**

3 The terms and conditions contained in this Contract that by their sense and context are  
4 intended to survive the expiration of this Contract shall so survive. Surviving terms include,  
5 but are not limited to: Financial Terms and Conditions, Single Audit Act, Order of Precedence,  
6 Contract Performance and Enforcement, Confidentiality of Client Information, Resolution of  
7 Disputes, Indemnification, Oversight Authority, Maintenance of Records, Ownership of  
8 Materials, Contract Administration Warranties and Survivability.  
9

10 **30. TREATMENT OF CLIENT PROPERTY**

11 Unless otherwise provided in this Contract, Contractor shall ensure that any adult individual  
12 receiving services from Contractor under this Contract has unrestricted access to the  
13 individual's personal property. Contractor shall not interfere with any adult individual's  
14 ownership, possession, or use of the individual's property unless clinically indicated.  
15 Contractor shall provide individuals under age 18 with reasonable access to their personal  
16 property that is appropriate to the individual's age, development and needs. Upon  
17 termination of this Contract, Contractor shall immediately release to the individual and/or the  
18 individual's guardian or custodian all of the individual's personal property.  
19

20 **31. WARRANTIES**

21 The parties' obligations are warranted and represented by each to be individually binding, for  
22 the benefit of the other party. Contractor warrants and represents that it is able to perform  
23 its obligations set forth in this Contract and that such obligations are binding upon Contractor  
24 and other subcontractors for the benefit of North Sound BHO.  
25

26 **32. CONTRACT ADMINISTRATION**

27 The Program Manager for each of the parties shall be responsible for and shall be the contact  
28 person for all communications and billings regarding the performance of this Contract.  
29

30 The Contact for North Sound Behavioral Health Organization, LLC is:

31 Joe Valentine, Executive Director  
32 North Sound BHO  
33 301 Valley Mall Way, Ste. 110  
34 Mount Vernon, WA 98273-5462  
35

36 The Contact for Island County is:

37 Jackie Henderson, Director of Human Services  
38 Island County  
39 Human Services Administration  
40 PO Box 5000  
41 Coupeville WA 98239  
42

43 Changes shall be provided to the other party in writing within 10 working days.  
44

1 **C. PERFORMANCE STANDARDS**

2 In carrying out its responsibilities under this contract, Contractor shall comply with the following  
3 performance standards.  
4

- 5 a. Contractor shall ensure that it and any applicable subcontractors comply with general  
6 limitations on the use of MHBG funds as specified in Exhibit B
- 7 b. If Contractor subcontracts for the provision of services under this contract it shall  
8 maintain documentation of its oversight and monitoring of subcontractors who are  
9 providing services described in this Contract, including documentation of related  
10 outcomes and actual costs, and provide such documentation when requested by North  
11 Sound BHO.
- 12 c. Contractor shall incorporate SAMHSA's 10 Fundamental Components of Recovery  
13 (Exhibit E) in the daily activities and interactions with individuals seeking help with their  
14 recovery.
- 15 d. Contractor shall participate in annual peer reviews by individuals with expertise in the  
16 field of mental health when requested by North Sound BHO/DSHS.  
17

18 **1. INDEPENDENT PEER REVIEW (45 CFR 96.136)**

19 The Contractor shall participate in the statewide independent peer review process when  
20 requested by North Sound BHO as outlined in Exhibit C-Independent Peer Review Procedures.  
21 Contractor will be reviewed by experts in the field of Mental Health Treatment to assess  
22 quality, appropriateness and efficacy of services provided to individuals.  
23

24 **2. BACKGROUND CHECKS (RCW 43.43.832, WAC 388-877 and 388-877B)**

25 The Contractor must ensure a criminal background check is conducted on all staff members;  
26 case managers, outreach staff members, etc.; and volunteers who have unsupervised access  
27 to children, adolescents, vulnerable adults, and persons who have developmental disabilities.  
28

29 When providing services to Youth, the Contractor must ensure that requirements of WAC 388-  
30 06-0170 are met.  
31

32 **3. DELIVERABLES, PLANS AND REPORTS**

33 Contractor must ensure plans or reports required by this Contract, including those outlined in  
34 Exhibit F, Deliverables, are provided to NORTH SOUND BHO in compliance with the  
35 timelines/formats indicated.  
36

37 If this Contract requires a report or other deliverable that contains information that is  
38 duplicative or overlaps a requirement of another Contract between the parties Contractor  
39 may provide one report or deliverable that contains the information required by both  
40 Contracts.

1 **D. FINANCIAL TERMS AND CONDITIONS**

2  
3 **1. GENERAL FISCAL ASSURANCES**

4 The Contractor shall comply with all applicable laws and standards, including Generally  
5 Accepted Accounting Principles and maintain, at a minimum, a financial management system  
6 that is a viable, single, integrated system with sufficient sophistication and capability to  
7 effectively and efficiently process, track and manage all fiscal matters and transactions. The  
8 parties' respective fiscal obligations and rights set forth in this Article F shall continue after  
9 termination of this contract until such time as the financial matters between the parties  
10 resulting from this contract are completed.

11  
12 **2. FINANCIAL ACCOUNTING REQUIREMENTS**

- 13 a. Funding that supports this Contract comes from Community Mental Health Services  
14 Block Grant funds, from the federal DHHS, Catalog of Federal Domestic Assistance  
15 (CFDA) #93.958.
- 16 b. Contractor shall produce annual audited financial statements and make such reports  
17 available to North Sound BHO upon request.
- 18 c. North Sound BHO shall pay Contractor an amount not to exceed the maximum  
19 consideration specified in this Contract for the satisfactory performance of all work set  
20 forth in Exhibit A Statement of Work.
- 21 d. Contractor shall submit a completed monthly invoice that includes the following  
22 information:
- 23
- 24 i. Contractor shall be paid on a cost reimbursement basis for appropriate program  
25 expenditures.
- 26 ii. Total charges, based on Contractor standard billing rates for the services provided.
- 27
- 28 e. Contractor shall submit claims for reimbursement monthly and no later than 60 days  
29 following the month in which services are provided. North Sound BHO is not obligated  
30 to pay any claims submitted later than 60 days after the month services were  
31 provided.
- 32 f. Any MHBG Funds obligated under this Contract which are not expended by June 30,  
33 2017, may not be used or carried forward in any other Contract or Amendment, and  
34 lapse as of June 30, 2017.

35  
36 **3. RULES COMPLIANCE**

37 Contractor shall:

- 38 a. Account for public mental health expenditures under this Contract in accordance with  
39 federal circular A-133 and A-87 or other applicable circular and state requirements in  
40 accordance with the BARS Manual, and BARS Supplemental Instructions.
- 41 b. Ensure State or Federal funds are not used to replace local funds from any source, which  
42 were being used to finance mental health services in the constituent county/counties in  
43 the calendar year prior to January 1, 1990. Contractor shall not use State or Federal  
44 funds to replace local funds used to administer the Involuntary Treatment Program in  
45 the constituent county/counties in the calendar year prior to January 1, 1974.

- c. Contractor shall comply with, specifically, Title V, Section 1913 where the State agrees to comply with the Public Health Service Act [42 USC 300x-1 et seq.], attached as Exhibit B, Title V - Section 1913.
- d. North Sound BHO shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Contract.
- e. North Sound BHO shall pay Contractor only for authorized services provided in accordance with this Contract. If this Contract is terminated for any reason, North Sound BHO shall pay only for services authorized and provided through the date of termination.
- f. Contractor shall not bill North Sound BHO for services performed under this contract, and North Sound BHO shall not pay Contractor, if Contractor has charged or will charge the State of Washington or any other party under any other contract or contract for the same services.

4. **USES AND USE RESTRICTIONS**

The 93.958 MHBG for Community Mental Health Services funding may not be used to provide inpatient services; to make cash payments to intended recipients of health services; to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility or purchase major medical equipment; to satisfy any requirement for the expenditure of nonfederal funds as a condition for the receipt of Federal funds; or to provide financial assistance to any entity other than a public or nonprofit private entity.

Contractor shall not use MHBG Funds for the following:

- a. Services and programs that are covered under the capitation rate for Medicaid-covered services to Medicaid enrollees.
- b. Inpatient mental health services.
- c. Construction and/or renovation.
- d. Capital assets or the accumulation of operating reserve accounts.
- e. Equipment costs over \$5,000.
- f. Cash payments to Individuals.
- g. State match for other federal funds.

Target Population:

Benefits	Services	Use MHBG	Use Medicaid
Individual is <i>not</i> a Medicaid recipient	Any type	Yes	No
Individual <i>is</i> a Medicaid recipient	Allowed under Medicaid	No	Yes
Individual <i>is</i> a Medicaid recipient	Not allowed under Medicaid	Yes	No

1 E. OVERSIGHT, REMEDIES AND TERMINATION

2  
3 1. OVERSIGHT AUTHORITY

4 North Sound BHO, DSHS, Office of the State Auditor, DHHS, Centers for Medicare and  
5 Medicaid Services (CMS), the Comptroller General, or any of their duly-authorized  
6 representatives (i.e., External Quality Review Organizations [EQRO]), have the authority to  
7 conduct announced and unannounced: a) surveys, b) audits, c) reviews of compliance with  
8 licensing and certification requirements and compliance with this Contract, d) audits regarding  
9 the quality, appropriateness and timeliness of mental health services of Contractor and  
10 subcontractors and e) audits and inspections of financial records of Contractor and  
11 subcontractors. Contractor shall notify North Sound BHO when an entity other than North  
12 Sound BHO performs any audit described above related to any activity contained in this  
13 Contract.

14  
15 In addition, North Sound BHO will conduct reviews in accordance with its oversight of  
16 resource, utilization and quality management, as well as to ensure that Contractor has the  
17 clinical, administrative and fiscal structures to enable them to perform in accordance with the  
18 terms of the contract. Such reviews may include, but are not limited to, encounter data  
19 validation, utilization reviews, clinical record reviews and review of administrative structures,  
20 fiscal management and contract compliance. Reviews may include desk reviews, requiring  
21 Contractor to submit requested information. North Sound BHO will also review any activities  
22 delegated under this contract to Contractor.

23  
24 Findings, as a result of North Sound BHO conducted reviews, may result in remedial action as  
25 outlined below. Federal and State agencies may impose remedial action or financial penalties  
26 either directly upon Contractor or through North Sound BHO. Contractor shall comply with  
27 the terms of such remedial action and be responsible for the payment of financial penalties.

28  
29 2. REMEDIAL ACTION

30 North Sound BHO may require Contractor to plan and execute corrective action. Corrective  
31 action plans (CAP) developed by Contractor must be submitted for approval to North Sound  
32 BHO within 30 calendar days of notification. CAP allowed for corrective action depending  
33 upon the nature of the situation as determined by North Sound BHO.

34  
35 a. CAP must include:

- 36  
37 i. A brief description of the finding.  
38 ii. Specific actions to be taken, a timetable, a description of the monitoring to be  
39 performed, the steps taken and responsible individuals that will reflect the  
40 resolution of the situation.

41  
42 b. CAP may:

43  
44 Require modification of any policies or procedures by Contractor relating to the  
45 fulfillment of its obligations pursuant to this Contract.

- 1  
2 c. CAP are subject to approval by North Sound BHO, which may:  
3  
4 i. Accept the plan as submitted.  
5 ii. Accept the plan with specified modifications.  
6 iii. Request a modified plan.  
7 iv. Reject the plan.  
8  
9 d. Contractor agrees that North Sound BHO may initiate remedial action as outlined in  
10 subsection below if North Sound BHO determines any of the following situations exist:  
11  
12 i. A problem exists that negatively impacts enrollees.  
13 ii. Contractor has failed to perform any of the mental health services required in this  
14 Contract, including delegated functions, which includes the failure to maintain the  
15 required capacity as specified by North Sound BHO to ensure that enrollees receive  
16 medically necessary services.  
17 iii. Contractor has failed to develop, produce, and/or deliver to North Sound BHO any  
18 of the statements, reports, data, data corrections, accountings, claims, and/or  
19 documentation described herein, in compliance with all the provisions of this  
20 Contract.  
21 iv. Contractor has failed to perform any administrative function required under this  
22 Contract, including delegated functions. For the purposes of this section,  
23 "administrative function" is defined as any obligation other than the actual  
24 provision of mental health services.  
25 v. Contractor has failed to implement corrective action required by the state and  
26 within North Sound BHO prescribed timeframes.  
27  
28 e. North Sound BHO may impose any of the following remedial actions in response to  
29 findings of situations as outlined above.  
30  
31 i. Withhold one percent of the next monthly payment and each monthly payment  
32 thereafter until the corrective action has achieved resolution. North Sound BHO,  
33 at its sole discretion, may return a portion or all of any payments withheld once  
34 satisfactory resolution has been achieved.  
35 ii. Compound withholdings identified above by an additional one-half of one percent  
36 for each successive month during which the remedial situation has not been  
37 resolved.  
38 iii. Revoke delegation of any function delegated under this contract.  
39 iv. Deny any incentive payment to which Contractor might otherwise have been  
40 entitled under this Contract or any other arrangement by which DBHR provides  
41 incentives.  
42 v. Termination for Default, as outlined in this Contract.  
43

1       **3. PAYMENT WITHHOLD**

2       Up to two (2) percent of the monthly payment will be withheld upon the request of North  
3       Sound BHO's Program Manager if a required report or deliverable under this contract is due  
4       and has not been received by North Sound BHO, including required financial reports and data  
5       transmissions.

6  
7       Payment will be withheld until the required report or deliverable has been delivered and  
8       meets the requirements specified by North Sound BHO.

9  
10       **4. INDIVIDUALS SERVICED BY MEDICAID AND OTHER MENTAL HEALTH PROGRAM ARE NOT**  
11       **THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT**

12       Although DSHS and the Contractor mutually recognize that services under this Contract may  
13       be provided by the Contractor to individuals receiving services under the Medicaid program,  
14       and chapters 71.05, 71.24, and 71.34 RCW, it is not the intention of either DSHS or the  
15       Contractor that such individuals, or any other persons, occupy the position of intended third-  
16       party beneficiaries of the obligations assumed by either party to this Contract.

17  
18       **5. ADDITIONAL FINANCIAL PENALTIES – DBHR IMPOSED SANCTIONS**

19       Financial penalties imposed by DBHR or other regulatory agency due to the action or inaction  
20       of Contractor may be paid by North Sound BHO on behalf of Contractor and the amount will  
21       be withheld from North Sound BHO's payments to Contractor.

22  
23       **6. TERMINATION DUE TO CHANGE IN FUNDING**

24       In the event funding from State, Federal, or other sources is withdrawn, reduced, or limited in  
25       any way after the effective date of this Contract and prior to its normal completion, North  
26       Sound BHO may terminate this Contract, subject to re-negotiations.

27  
28       **7. TERMINATION FOR CONVENIENCE**

29       Except, as otherwise provided in this Contract, a party may terminate their portion of this  
30       Contract upon 30 days written notification by certified mail to the other party. The effective  
31       date of termination shall be the thirtieth day after receipt of written notification to the other  
32       party or the last day of the calendar month in which the thirtieth day occurs, whichever is  
33       later.

34  
35       **8. TERMINATION FOR DEFAULT**

36       North Sound BHO's Program Manager may terminate this Contract for default, in whole or in  
37       part, by written notice to Contractor if North Sound BHO or DSHS has a reasonable basis to  
38       believe that Contractor has or have:

- 39  
40       a. Failed to meet or maintain any requirement for contracting with DSHS.  
41       b. Failed to perform under any provision of this Contract.  
42       c. Violated any law, regulation, rule, or ordinance applicable to the services provided under  
43       this Contract.  
44       d. Otherwise breached any provision or condition of this Contract.  
45

1 Before North Sound BHO's Program Manager may terminate this Contract for default, in  
2 whole or in part, North Sound BHO shall provide Contractor with written notice of  
3 Contractor's noncompliance with this Contract which notice shall provide Contractor a  
4 reasonable time period to correct its/their noncompliance. If Contractor has or has not  
5 corrected its/their noncompliance within the period of time specified in the written notice of  
6 noncompliance, North Sound BHO Program Manager may then terminate this Contract, in  
7 whole or in part for default without such written notice and without opportunity for  
8 correction if North Sound BHO and/or DSHS has a reasonable basis to believe that:

- 9
- 10 a. Contractor has violated any law, regulation, rule, or ordinance applicable to services  
11 provided under this contract.
  - 12 b. Continuance of this Contract with Contractor poses a material risk of injury or harm to  
13 any person.
- 14

15 Contractor may terminate this Contract in whole or in part, by written notice to North  
16 Sound BHO, if Contractor has a reasonable basis to believe that North Sound BHO has:

- 17
  - 18 i. Failed to meet or maintain any requirement for contracting with Contractor.
  - 19 ii. Failed to perform under any provision of this Contract.
  - 20 iii. Violated any law, regulation, rule, or ordinance applicable to work performed  
21 under this Contract.
  - 22 iv. Otherwise breached any provision or condition of this Contract.
- 23

## 24 9. TERMINATION PROCEDURE

25 The following provisions shall survive and be binding on the parties in the event this Contract  
26 is terminated:

- 27
- 28 a. Contractor and any applicable subcontractors shall cease to perform any services  
29 required by this Contract as of the effective date of termination and shall comply with all  
30 reasonable instructions contained in the notice of termination which are related to the  
31 transfer of clients, distribution of property and termination of services. Each party shall  
32 be responsible only for its performance in accordance with the terms of this Contract  
33 rendered prior to the effective date of termination. Contractor and any applicable  
34 subcontractors shall assist in the orderly transfer/transition of the individuals served  
35 under this Contract. Contractor and any applicable subcontractors shall promptly supply  
36 all information necessary for the reimbursement of any outstanding claims.
- 37 b. Contractor and any applicable subcontractors shall immediately deliver to North Sound  
38 BHO's Program Manager or to his/her successor, all DSHS and North Sound BHO assets  
39 (property) in Contractor's and any applicable subcontractor's possession and any  
40 property produced under this Contract. Contractor and any applicable subcontractors  
41 grants North Sound BHO and DSHS the right to enter upon Contractor's and any  
42 applicable subcontractor's premises for the sole purpose of recovering any North Sound  
43 BHO or DSHS property that Contractor and any applicable subcontractors fails to return  
44 within 10 working days of termination of this Contract. Upon failure to return North  
45 Sound BHO and/or DSHS property within 10 working days of the termination of this

1 Contract, Contractor and any applicable subcontractors shall be charged with all  
2 reasonable costs of recovery, including transportation and attorney's fees. Contractor  
3 and any applicable subcontractors shall protect and preserve any property of North  
4 Sound BHO and/or DSHS that is in the possession of Contractor and any applicable  
5 subcontractors pending return to North Sound BHO and/or DSHS.

- 6 c. North Sound BHO shall be liable for and shall pay for only those services authorized and  
7 provided through the date of termination. North Sound BHO may pay an amount agreed  
8 to by the parties for partially completed work and services, if work products are useful to  
9 or usable by North Sound BHO. Should either party terminate the contract, Contractor  
10 shall be responsible to provide all mental health services through the end of the month  
11 for which they will invoice North Sound BHO.  
12

1 THIS CONTRACT, consisting of 27 Pages, plus Exhibits, is executed by the persons signing below who  
2 warrant that they have the authority to execute this Contract.

3  
4 FOR NORTH SOUND BEHAVIORAL HEALTH  
5 ORGANIZATION, LLC

FOR ISLAND COUNTY

6  
7  
8  4-6-16

9 \_\_\_\_\_  
10 Joe Valentine Date  
11 Executive Director

\_\_\_\_\_  
Richard Hannold Date  
Chair



ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL

MEETING DATE: 05-17-16

CONSENT AGENDA  
 REGULAR AGENDA  
 PUBLIC HEARING/MTG  
RESOLUTION/ORDINANCE NO

DEPARTMENT: Island County IT Department

DIVISION: (if applicable)

STAFF CONTACT: Jenean Boggs

AGENDA SUBJECT: CDW Government LLC; Sonicwall Firewall Replacement

BACKGROUND/SUMMARY:

WORK SESSION DATE: (if applicable) May 11 2016

Request to approve and sign the purchase orders for CDW Government purchase of end of life Sonicwall Firewall in order to provide reliable security and safety of County Data.

FISCAL IMPACT/FUNDING SOURCE:

This has been budgeted in the 2016 budget

RECOMMENDED ACTION:

- Approve/Adopt
- Schedule Public Hearing/Meeting
- Continue Public Hearing/Meeting
- Information/Discussion
- Other (describe) \_\_\_\_\_

SUGGESTED MOTION:

[BELOW TO BE COMPLETED BY CLERK OF BOARD]

BOCC ACTION:

- APPROVED
- DENIED
- Tabled/DEFERRED/NO ACTION TAKEN
- CONTINUED TO DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ TIME: \_\_\_\_\_
- OTHER \_\_\_\_\_





CDWG.com | 800.594.4239

OE400SPS

# SALES QUOTATION

QUOTE NO.	ACCOUNT NO.	DATE
GZGP116	1584125	4/13/2016

**BILL TO:**  
 ISLAND COUNTY IT DEPT  
 PO BOX 5000

**SHIP TO:**  
 ISLAND COUNTY IT DEPT  
 Attention To: STAN BRADSHAW  
 PO BOX 5000

Accounts Payable  
 COUPEVILLE, WA 98239-5000

COUPEVILLE, WA 98239-5000  
 Contact: STAN  
 BRADSHAW 360.679.7395

Customer Phone #360.679.7305

Customer P.O. # NSA 5600 QUOTE

ACCOUNT MANAGER	SHIPPING METHOD	TERMS	EXEMPTION CERTIFICATE
JON WATTERS 866.339.7081	FEDEX Ground	Net 30 Days-Govt State/Local	

QTY	ITEM NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	3027154	SONICWALL NSA 5600 SEC UPG PLUS Mfg#: 01-SSC-4262 Contract: KCDA Catalog Agreement- Contract# 014-E 014-E	11,254.32	11,254.32
1	3026513	SONICWALL NSA 5600 HA UNIT F/APP Mfg#: 01-SSC-3831 Contract: KCDA Catalog Agreement- Contract# 014-E 014-E	5,109.32	5,109.32
1	2028293	SONICWALL DEEP PACKET INSP UPG LIC Mfg#: 01-SSC-8680 Contract: KCDA Catalog Agreement- Contract# 014-E 014-E	0.00	0.00
1	3078838	Electronic distribution - NO MEDIA SONICWALL NSA 5600 EXP LIC Mfg#: 01-SSC-4480 Contract: MARKET	700.00	700.00
1	523952	Electronic distribution - NO MEDIA SONICWALL SGMS STANDARD EDIT 10NODE Mfg#: 01-SSC-3363 Contract: KCDA Catalog Agreement- Contract# 014-E 014-E	1,900.00	1,900.00
1	1502132	Electronic distribution - NO MEDIA SONICWALL 2YR 24X7 GMS APPL SVC (150 Mfg#: 01-SSC-6531 Contract: KCDA Catalog Agreement- Contract# 014-E 014-E	480.00	480.00
1	387504	Electronic distribution - NO MEDIA SONICWALL SGMS ENTRY 5U UPG Mfg#: 01-SSC-3350 Contract: KCDA Catalog Agreement- Contract# 014-E 014-E	850.00	850.00
1	1357075	Electronic distribution - NO MEDIA SONICWALL 2YR 24X7 GMS APP SVC 5NODE Mfg#: 01-SSC-6525 Contract: KCDA Catalog Agreement- Contract# 014-E 014-E Electronic distribution - NO MEDIA	250.00	250.00
SUBTOTAL				20,543.64
FREIGHT				0.00
TAX				1,787.30

US Currency  
**TOTAL** 22,330.94



### KCDA Contract Information

**\*\* KCDA does not charge service fees on our vendor direct contracts \*\***

<b>Awarded Vendor:</b>	<b>CDW-G</b> 	
<b>KCDA Bid Number:</b>	<b>AEPA 014-E</b> 	
<b>Contract Expiration Date:</b>	February 28, 2017	
<b>Approved Products/Services:</b> <b>Bid Tabulation/Evaluation Available Upon Request</b>	On-line Technology Catalog	<a href="#">Award Letter</a> <a href="#">Extension Letter 2015</a> <a href="#">Extension Letter 2016</a>
<b>Primary Vendor Contact:</b>	Pricing Requests Michael McClain Phone: 866-339-4891 Email: <a href="mailto:mikemcc@cdwg.com">mikemcc@cdwg.com</a> Account Executive: Angela Gadiant Phone: 206-484-5368 Fax: 866-349-2394 Email: <a href="mailto:angehal@cdwg.com">angehal@cdwg.com</a>	
<b>Websites:</b> Click on Logo	 <b>March Flyer</b>	
<b>Order Placement/Processing:</b>	<a href="#">Click here to order directly from CDW-G</a> Shipping and handling will be included, except for common carrier, palletization and large freight over 70 lbs.	
<b>Sustainability:</b>	<a href="#">Green Statement Flyer</a>	
<b>KCDA Contact:</b>	KCDA Purchasing Cooperative Attention: Valerie Ellefsen Phone: 425-251-8115, 800-422-5019, ext. 134 Fax: 253-395-5402 email: <a href="mailto:vellefsen@kcda.org">vellefsen@kcda.org</a>	



**ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL**

MEETING DATE: 5/17/16
<input checked="" type="checkbox"/> CONSENT AGENDA
<input type="checkbox"/> REGULAR AGENDA
<input type="checkbox"/> PUBLIC HEARING/MTG
<input type="checkbox"/> RESOLUTION/ORDINANCE NO

<b>DEPARTMENT:</b> Island County Planning & Community Development
<b>DIVISION:</b> (if applicable) <i>Long Range Planning</i>
<b>STAFF CONTACT:</b> Keith Higman
<b>AGENDA SUBJECT:</b> Request for Contract Signature BHC Consultants, LLC: Professional Services Contract No. RM-PLAN-2016-166; Risk No. RM-PLAN-2016-166
<b>BACKGROUND/SUMMARY:</b> WORK SESSION DATE 5/11/16  BHC Consultants, LLC will provide professional services to Island County for the Island County Comprehensive Plan 2016 update. BHC will be responsible for the integration of information provided by County staff, general editing, assessment of GMA compliance and overall consistency review. Work assignments may be organized in phases, with Phase 2 and Phase 3 assigned through Task Assignments as needed. Phase 1 includes updates to Freeland Subarea Plan & Freeland Development Regulations and may include RAID/Holmes Harbor Designations, updates to inter-local agreements and County Code. Contract Amount: \$84,102 (base) not to exceed \$145,000 (via Task Assignments). Contract has completed Legal and Risk reviews.
<b>FISCAL IMPACT/FUNDING SOURCE:</b> GMA set-aside funds.
<b>RECOMMENDED ACTION:</b> <input checked="" type="checkbox"/> Approve/Adopt <input type="checkbox"/> Schedule Public Hearing/Meeting <input type="checkbox"/> Continue Public Hearing/Meeting <input type="checkbox"/> Information/Discussion <input checked="" type="checkbox"/> Other (describe) <u>Chair Signature</u>
<b>SUGGESTED MOTION:</b>

*[BELOW TO BE COMPLETED BY CLERK OF BOARD]*

**BOCC ACTION:**

<input type="checkbox"/>	APPROVED
<input type="checkbox"/>	DENIED
<input type="checkbox"/>	TABLED/DEFERRED/NO ACTION TAKEN
<input type="checkbox"/>	CONTINUED TO DATE: ___/___/___ TIME: _____
<input type="checkbox"/>	OTHER _____

## **PROFESSIONAL SERVICES AGREEMENT**

### **Between Island County and BHC Consultants, LLC**

Contract No. RM-PLAN-2016-166

THIS PROFESSIONAL SERVICES AGREEMENT is made and entered into, by and between ISLAND COUNTY, Washington, hereinafter called "COUNTY" and BHC Consultants, LLC, a Washington corporation, located at 1601 Fifth Avenue, Suite 500, Seattle, WA 98101, hereinafter called "CONSULTANT".

WITNESSETH: In consideration of the terms and conditions herein and attached and made a part of this agreement, the parties do covenant and agree as follows:

1. **SCOPE OF WORK:** Any item of work not specifically outlined in Exhibit "A" – Scope of Work - shall be provided for by a task assignment. Each assignment will be individually negotiated by the Island County Interim Long Range Planning Director (Task Approving Authority) and CONSULTANT. The Task Approving Authority is not obligated to assign any specific number of additional tasks to CONSULTANT, and CONSULTANT'S obligations herein are limited to tasks assigned in writing in Exhibit "A". Any task assignment made by the Task Approving Authority and CONSULTANT shall be issued in writing by a Formal Task Assignment Document.
2. **PERIOD OF PERFORMANCE:** CONSULTANT'S work shall commence April 14, 2016 and all work shall be completed by December 31, 2016. All documents and deliverables shall be filed with COUNTY prior to the aforementioned completion date.
3. **INDEPENDENT CONSULTANT:** CONSULTANT is not an employee of COUNTY and shall not hold itself out to be an employee. CONSULTANT is responsible for withholding and/or paying employment taxes, insurance, and deductions of any kind required by federal, state and/or local laws.
4. **CONSIDERATION:** COUNTY shall pay CONSULTANT to provide the described services in accordance with the sums set forth in Exhibit "B" attached hereto. Consideration for tasks outlined in Exhibit "B" shall not exceed \$84,102. Tasks incorporated herein under Phase Two or Phase Three and with a written Task Assignment Document shall not exceed \$145,000.
5. **BILLING PROCEDURE:** CONSULTANT shall submit monthly progress billings to COUNTY. COUNTY shall pay to CONSULTANT the amounts billed, upon receipt of properly executed invoices submitted monthly to the Island County Planning Department and thereupon approved or adjusted for payment.
6. **CONTRACT MANAGEMENT:** The Island County Interim Long Range Planning Director shall manage and administer this contract for COUNTY, for the benefit and on behalf of the COUNTY, subject to the terms herein.

7. ASSIGNMENT: COUNTY and CONSULTANT shall not assign this agreement or any rights or responsibilities under it without first obtaining the other party's written consent, whether during performance or after performance.

8. PROVISION OF DOCUMENTS: COUNTY shall provide CONSULTANT with pertinent information concerning COUNTY'S requirements for the work performed under this agreement. This includes providing drawings, specifications, schedules and other information prepared by or available to COUNTY pertinent to the services provided under this agreement.

9. RECORDS: CONSULTANT shall maintain all records (fiscal and other) pertaining to this agreement for a period of not less than two years. These records shall be available to COUNTY for its review upon reasonable notice.

10. CONFIDENTIAL DATA: CONTRACTOR acknowledges that COUNTY is subject to Chapter 42.56 RCW or its successor, and records associated with this agreement are public records as defined in Chapter 42.56 RCW. Any and all information or data that is designated in writing as confidential and given by one of the parties hereto to the other in performance of the work shall not at any time hereafter be disclosed to any person, firm or corporation; except COUNTY may be required to disclose any public records not exempt from disclosure under Chapter 42.56 RCW or its successor.

11. OWNERSHIP OF DOCUMENTS: All documents prepared by CONSULTANT pursuant to this agreement are instruments of service intended for use solely with respect to this project. These instruments of service shall become the property of COUNTY upon COUNTY'S performance of its payment obligations under this agreement. Any reuse or modification of such instruments of service by COUNTY or others without CONSULTANT'S written consent shall be without liability on the part of CONSULTANT, its employees, agents or sub-contractors.

12. INDEMNIFICATION: To the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless COUNTY, agencies of COUNTY and all officials, agents and employees of COUNTY from and against any and all claims to the extent caused by CONSULTANT'S negligent acts, errors or omissions in connection with the performance of this contract and those of its sub-consultants or anyone for whom the CONSULTANT is legally liable. "Claim" as used in this agreement means any financial loss, claim, suit, action, damage, or expense, including but not limited to reasonable attorney fees, attributable for bodily injury, sickness, disease or death, or injury to or destruction of tangible property including loss of use resulting there from. CONSULTANT'S obligation to indemnify, and hold harmless includes any claim by CONSULTANT, agents, employees, representatives, or any sub-contractor to its employees.

CONSULTANT'S obligation to indemnify and hold harmless COUNTY shall not be eliminated by any actual or alleged concurrent negligence of COUNTY or its agents, agencies, employees and officials. CONSULTANT is not obligated to indemnify COUNTY in any manner whatsoever for COUNTY'S own negligence.

13. INSURANCE: Prior to commencement of services under this agreement, CONSULTANT shall submit to COUNTY certificates of insurance or certified copies of insurance policies and endorsements, for the coverage required below and shall maintain the same type of coverage as is currently in effect for the life of this agreement. CONSULTANT shall maintain at CONSULTANT'S sole expense the following insurance coverages, insuring CONSULTANT, its employees, agents, designees and indemnities as required herein:

A. CONSULTANT shall not commence work under this Contract until CONSULTANT has obtained all insurance required under this paragraph and such insurance has been approved by COUNTY.

B. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Washington and have a Best's rating of at least A-VII. All insurance, other than Professional Liability and Workmen's Compensation to be maintained by CONSULTANT shall specifically include COUNTY as an "Additional Insured" and shall not be canceled without sixty (60) days written prior notice to the COUNTY. CONSULTANT insurance coverage shall be primary insurance as respect to COUNTY, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by COUNTY, its officers, officials, employees or volunteers shall be excess of CONSULTANT'S insurance and shall not contribute to it.

C. CONSULTANT shall maintain, during the life of the contract, Industry Standard Occurrence Commercial General Liability Policy Form (CG0001) or equivalent, including Premises/Operations. Products/Completed Operations, Blanket Contractual Liability and Personal Injury Coverage, to protect CONSULTANT from claims for damages for bodily injury, including wrongful death, as well as from claims of property damage which may arise from any operations under this contract whether such operations be by CONSULTANT or by anyone directly employed by or contracting with CONSULTANT.

Specific limits required	\$2,000,000 General Aggregate
	\$1,000,000 Products/Completed Operations Aggregate
	\$1,000,000 Personal Injury and Advertising Injury
	\$1,000,000 Each Occurrence

The Commercial General Liability Policy will contain an endorsement naming COUNTY as Additional Insured (CG2010) and an endorsement that specifically states CONSULTANT General Liability shall be primary, and not contributory, with any other insurance maintained by COUNTY.

The policy shall be endorsed to include stop gap employer's liability coverage with minimum limits as follows:

\$1,000,000 Each Accident
\$1,000,000 Policy Limit for Disease
\$1,000,000 Each Employee for Disease

D. Commercial General Liability insurance shall be endorsed to include a "cross liability", indicating essentially that except with respect to the limits of insurance, and any rights or duties specifically assigned in this coverage part to the first named insured, this insurance applies as if each named insured were the only named insured, and separately to each insured against whom claims are made or suit is brought.

E. CONSULTANT shall maintain during the life of this Contract, Business and Automobile Liability Insurance (CA0001), or equivalent in the amount of \$1,000,000 Bodily Injury and Property Damage per combined single limit to protect CONSULTANT from claims which may arise from the performance of this Contract, whether such operations be by CONSULTANT or by anyone directly or indirectly employed by CONSULTANT. Covered auto shall be designated as "Symbol 1" any auto.

F. All Liabilities, coverages, except Professional Liability, shall be written on an Occurrence policy form. If coverage is Claims Made form, the Retroactive Date shall be prior to or coincident with the fully executed date of this contract, and the policy shall state that coverage is Claims Made, and state the Retroactive Date. Should Claims Made be the only option, a minimum of a three (3) year tail coverage shall be maintained after the expiration of the contract.

G. CONSULTANT shall secure its liability for industrial injury to its employees in accordance with the provisions of Title 51 of the Revised Code of Washington. CONSULTANT shall submit a copy of its certificate of coverage from the Department of Labor and Industries prior to the commencement of work.

H. Industrial Insurance Waiver – With respect to the performance of this Contract and as to claims against COUNTY, its officers, agents and employees, CONSULTANT expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to indemnify, defend and hold harmless provided in this Agreement extend to any claim brought by or on behalf of any employee of CONSULTANT against COUNTY. However, CONSULTANT'S waiver of immunity by the provisions of this paragraph, extend only to claims against CONSULTANT by COUNTY and does not include or extend to claims by CONSULTANT'S employees directly against CONSULTANT. This waiver is mutually negotiated by the parties to this Agreement.

I. Professional Liability Insurance – Prior to the start of work, CONSULTANT or sub-consultant will secure and maintain at its own expense Professional Liability Insurance in the amount of not less than \$1,000,000 per claim and in the aggregate. Such insurance will be provided by an insurance carrier with a Best's Rating of not less than A-VII. If coverage is Claims Made, the retroactive date shall be prior to or coincident with the date of this contract. The policy shall state that the coverage is claims made, and state the retroactive date. Claims Made form coverage shall be

maintained by CONSULTANT or sub-consultant for a minimum of three (3) years following the termination of this contract, and CONSULTANT or subcontractor shall annually provide COUNTY with proof of renewal.

J. Sub-contractors – CONSULTANT shall include all sub-consultants as insureds under its policies or shall furnish separate certificates and endorsements for each sub-consultant. All coverages for subcontracts shall be subject to all of the requirements stated herein.

14. CERTIFICATION REGARDING SUSPENSION AND DEBARMENT: CONSULTANT certifies to the best of its knowledge and belief it:

A. Is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any Federal department or agency.

B. Has not within a three-year period been convicted of or had a civil judgment rendered against him for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, State, or local transaction, violation of Federal or State antitrust statutes or commission of embezzlement, forgery, bribery, falsification or destruction of record, making a false statement or receiving stolen property.

C. Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of offenses in B. above.

D. Has not within a three-year period had one or more public transactions terminated for cause or default.

CONSULTANT shall provide immediate written notice if at any time it learns that this certification has become erroneous by reason of changed circumstances.

By signing this certification CONSULTANT agrees that it shall not knowingly enter into any lower tier covered transaction that the entity or principals are debarred, suspended, declared ineligible, proposed for debarment, or voluntarily excluded from participation in this covered transaction. CONSULTANT may rely upon certification of a lower tier covered transaction unless he knows that the certification is erroneous.

15. TERMINATION: Except as otherwise provided in this agreement, either party may terminate this agreement upon thirty (30) days written notification. If this agreement is so terminated, the terminating party shall be liable only for performance in accordance with the terms of this agreement for performance rendered prior to the effective date of termination.

IN WITNESS WHEREOF the parties have caused this agreement to be executed as dated.

Executed by CONSULTANT this 4<sup>th</sup> day of May, 2016.

Ronald A. Dorn  
Signature Ronald A. Dorn  
Name & Title Vice President  
BHC Consultants, LLC

Executed by COUNTY this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Board of County Commissioners  
Island County, Washington

\_\_\_\_\_  
Richard M. Hannold, Chair

# SCOPE OF WORK

## Overview

The following scope is an estimate for services to be rendered by BHC to Island County for Island County Comprehensive Plan 2016 Update. The scope is based on the proposal submitted in response to the County's February RFQ and subsequent negotiations with County staff.

BHC shall be responsible for the integration of information provided by County staff, general editing, assessment of GMA compliance and overall consistency review. Additionally, County staff shall provide updated content to their legal counsel for feedback and approval prior to presenting it to the public and the Island County Planning Commission. BHC shall provide updated content to the County with enough time to allow for legal review, editing, and public notice. County staff shall provide project management direction and coordination and shall be responsible for ensuring that the BHC has required support from other County departments and agencies.

## **Freeland Subarea Plan and Development Regulations**

County-drafted updates to the Freeland Subarea Plan (FSP) identify changes to be completed including consistency with internal and external reports and analysis. BHC's first priority shall be to assist the County in completing necessary updates to the FSP. Once they are completed, BHC will assist in the development of Freeland area development regulations to match both the FSP and the updated Island County Code.

## **Work Tasks**

BHC shall assist the County in the completion of the following tasks:

- Updates to the Freeland Subarea Plan and Freeland Development Regulations

BHC may assist the County in the completion of the following tasks:

- RAID/Holmes Harbor Designations
- Updates to Interlocal Agreements
- Updates to Island County Code

## **Phasing**

The assignments may be organized into three work phases according to prioritized subject areas. Work associated with Phases Two and Three may be assigned through negotiated Task Assignments with the Island County Task Approving Authority and BHC. It is acknowledged that some of the work in the phases may overlap, depending upon the scheduling of staff and BHC coordination, public review, and other necessary activities leading to adoption in December, 2016.

**PHASE ONE (APRIL – DECEMBER 2016): FREELAND SUBAREA PLAN AND DEVELOPMENT REGULATIONS**

**1A – Updates to the Freeland Subarea Plan**

County staff will provide BHC with completed documents and analyses necessary for BHC to update the draft Freeland Subarea Plan (FSP) and review for consistency. These documents include:

- proposed updates to the County Comprehensive Plan, including the completed Capital Facilities Element
- updated Countywide Planning Policies (CWPP)
- the most recently completed Buildable Lands Analysis
- completed Population Allocations
- the latest Draft Comprehensive Sewer Plan
- the latest Water System Plan
- updated maps as provided by staff
- other documents identified by staff or BHC

BHC shall communicate with staff via phone conference at least twice a week as FSP updates are generated.

**Table 1A – Roles and Responsibilities for Freeland Subarea Plan Update**

<b>TASK</b>	<b>DONE</b>	<b>COUNTY ROLE</b>	<b>BHC ROLE</b>
<b>20- Year Population</b>			
-Consistency w/ adopted targets	No	Send Population Allocations to BHC	Update FSP numbers/tables/narrative
-Consistency w/ sewer plan (water, transportation, etc.)	No	Send BHC latest draft of Sewer Plan and Water Plan	Check FSP for consistency and update
-Consistency w/ buildable lands analysis	No	Send Buildable Lands Analysis (BLA) to BHC	Update FSP numbers/tables/narrative
-Demographic analysis (income, school age population, households, etc.)	No	Send BLA to BHC	Update FSP
<b>20-Year Employment</b>			
-Consistency w/ adopted targets	No	Send Population Allocations to BHC	Update FSP
-Consistency w/ Economic Development forecasts, etc.	Yes	no changes for this year	
-Consistency w/ buildable lands	No	Send BLA to BHC	Update FSP
-Consistency w/ vision	Yes	No substantive changes to Vision	
<b>Land Use Designations</b>			
-UGA sizing/location/configuration	No	Finalize new UGA configuration	Insert maps, update narrative as needed
-Critical areas identification/designation	Yes	Update maps as needed	Insert maps as needed, update narrative and/or set placeholders for consistency with the CAO update

-Comprehensive Plan designations	Yes	No major changes to existing designations, have renamed one zone	Review for consistency
-Consistency w/ CWPPs	No	Send CWPPs to BHC	Review New CWPPs against FSP for consistency
-Land needs for public facilities	Yes	Send completed County Capital Facilities Element to BHC	Review, probably will not require changes to FSP
-Developable capacity per designations	NO	Send BLA to BHC	
<b>Zoning</b>			
-Existing County zoning applicability	Yes	FSP zoning has been identified, one has been renamed	Review for consistency
-Potential specific zoning provisions (UGA)	Yes	Zoning has been mapped and defined	
-Potential provisions for future UGA	No	Areas being removed from the NMUGA will revert to County rural zoning except for the Holmes Harbor Golf Course Community (if possible). County will lead this rezoning process.	Provide assistance to County w/ public process as needed. RAID research.
-Concept for future UGA expansions	Yes	CWPPs discuss this, opting not to go into it for FSP this year	
-Non-residential zoning	Yes	Industrial & Business zones are mapped and defined	
<b>Completion</b>			
-Overall review/edit of Subarea goals, policies strategies per vision	Yes	No change to vision	Review as needed
-Consistency w/ Comprehensive Plan goals, policies, strategies	Yes	Don't anticipate substantive changes to Goals & Policies	Review as needed
-Subarea Plan formatting (Elements)	Yes	Re-formatted to match Island Co Comp Plan	
-20-year Capital Facilities plan implementation strategy	No	Send Completed Capital Facilities Plan to BHC	Review for consistency

### 1B – Freeland Development Regulations

BHC shall assist County staff in the development of Development Regulations for the Freeland Subarea. The County shall provide BHC with compiled preliminary concepts, both for Urban Holding Overlay regulations and for specified exemptions to the Freeland Subarea from Island County Code. BHC shall prepare appropriate code language for County staff for review.

**Table 1B – Roles and Responsibilities for Freeland Development Regulations**

TASK	DONE	COUNTY ROLE	BHC ROLE
-Urban Holding Overlay	No	Send CWPPs to BHC and preliminary concept thoughts on the Overlay regulations	CPPs discuss the overlay in detail. Work with County and community to create standards and sunset clause

-Hybrid Development Regulations	No	Send BHC preliminary concepts	Create hybrid regulations for Freeland. Example: "County Devel Regs apply except for x,y,z instances"
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**1C – Freeland Public Outreach**

BHC shall support County staff in general public outreach related to the Freeland Subarea Plan. This shall include preparation of materials to be used at two Freeland area public meetings regarding the proposed updates to the FSP and proposed development regulations. BHC shall attend and assist County staff in the facilitation of these meetings.

**Phase 1 Budget**

Phase one of this scope of work is budgeted to be accomplished for an estimated \$60,000 - \$84,102 for tasks 1A, 1B, and 1C as follows (see Exhibit B):

- 1A – Updates to Freeland Subarea Plan: \$29,000
- 1B – Freeland Development Regulations: \$15,000 - \$40,000
- 1C – Freeland Public Outreach: \$15,000

These estimates include labor and expenses and shall not exceed \$84,102. The costs for tasks are estimated using normal billing rates and expected hourly durations. Actual performance at the task level may result in higher or lower costs depending upon the inherent uncertainty coming from changes in direction, scheduling delays or other factors beyond BHC’s control. The County and BHC Consultants, LLC agree that these estimates may be revised during the course of the assignment. Necessary changes shall be based on documentation provided by BHC as part of monthly progress reports or at the time of milestone reviews. The budget includes labor and out-of-pocket expenses.

**PHASE TWO (JUNE - DECEMBER, 2016): RAID DESIGNATIONS, COUNTY CODE UPDATES, INTERLOCAL AGREEMENTS**

BHC may research the requirements for the Rural Area of more Intensive Development (RAID) areas that will no longer be a part of the Freeland NMUGA; draft and coordinate updates to the County’s Interlocal agreements with Oak Harbor, Coupeville, and Langley; and updates to the Island County Code.

**Task assignments under Phase Two may include the following:**

**2A. RAID Designations**

BHC may research the options for the areas currently with RAID zoning that is being removed from the Freeland NMUGA, assist with the formal designation (if applicable) of the RAID which encompasses Holmes Harbor Golf Course, and research options for the two areas that are immediately adjacent to the revised Freeland Non-Municipal Urban Growth Area boundary. BHC may advise staff on how to manage the RAID designations with respect to recent Growth Management Hearings Board decisions on RAID proximities to UGAs in Whatcom County.

## **2B. Interlocal Agreements**

BHC may review and assist the County in updates to current Interlocal agreements with Oak Harbor, Coupeville and Langley.

## **2C. Island County Code Updates**

BHC may propose updates to the Island County Code based on guidance from County staff and by staff providing BHC with an ongoing list of noted necessary code updates, an ongoing list of updates to the Code to match updated Countywide Planning Policies, and an ongoing list of updates to the Code to match the updated Island County Comprehensive Plan.

## **PHASE THREE, TASKS (APRIL - DECEMBER 2016): PUBLIC OUTREACH, COORDINATION**

**Task assignments under Phase Three may include:**

### **3A. Countywide Public Outreach**

BHC may assist in the preparation and facilitation of at least two Planning Commission Meetings and two Board Meetings.

### **3B. Coordination**

BHC may communicate with County once a week or every two weeks, as needed, for the remainder of any Tasks assigned. BHC may coordinate at least one on-site visit with County staff per month; additional visits can be arranged at the direction of County staff.

### **3C. Additional Tasks and Work Orders**

BHC may be assigned additional research, tasks or work orders as directed by County staff.

## **Schedule**

The following depicts an anticipated work flow for completion of the Freeland Subarea Plan:

- BHC provides County staff with substantial updates to Freeland Subarea Plan (preliminary date: April 29, 2016)
- County staff and BHC make preparations for June and July Freeland Public Meetings
- County submits FSP updates for legal review
- BHC provides additional edits or changes as needed (preliminary date: May 13, 2016)
- Freeland Public Meeting (preliminary date: June 25, 2016)
- BHC and County staff incorporate public feedback into FSP
- BHC assists County staff in bringing FSP before Island County Planning Commission

Specific dates for submittal of deliverables and meeting schedules for the remaining tasks will be established by County staff and BHC.

## **Phases 2 and 3 Budget**

Any work assigned by task for Phase 2 and or 3 shall not exceed \$60,898. These estimates include labor and expenses. The costs for tasks are estimated using normal billing rates and expected hourly durations. Actual performance at the task level may result in higher or lower costs depending upon the inherent uncertainty coming from changes in direction, scheduling delays or other factors beyond BHC's control. The County and BHC Consultants, LLC agree that these estimates may be revised during the course of the assignment. Necessary changes shall be based on documentation provided by BHC as part of monthly progress reports or at the time of milestone reviews. The budget includes labor and out-of-pocket expenses.

## **Assumptions**

Except for one-time materials such as exhibits for meetings, memoranda, and progress reports, final documents will be provided in In-Design, Microsoft Word, Excel in digital form and/or 5 paper copies. Mapping products shall be provided in electronic format compatible with County GIS. County responsibilities shall include:

- Items noted for Task 1A and in Tables 1A and 1B
- All mailings and printings
- Advertising and legal notices
- Securing of meeting space and locations, including rental costs, if any
- Providing County-owned data in digital format
- Translation into other languages as necessary

**Project Fee Schedule  
Labor Detail and Expense Summary**

Exhibit B

Task Number / Description	Director R. Wagonder		Sr. Planner T. Tiftitz		Planner A. Weber		Accounts U. Pierson		Total Hours	Subtotal Labor Costs
	Hours		Hours		Hours		Hours			
<b>PHASE ONE: FREELAND SUBAREA PLAN AND DEVELOPMENT REGULATIONS</b>										
1A	Updates to the Freeland Subarea Plan	80	120	50	5	255	\$	28,220		
1B	Freeland Development Regulations	60	205	110	-	375	\$	39,851		
1C	Freeland Public Outreach	36	60	40	-	136	\$	14,823		
<b>Total Hours</b>		<b>176</b>	<b>385</b>	<b>200</b>	<b>5</b>	<b>766</b>				
<b>Subtotals - Labor Costs</b>		\$ 22,860		\$ 40,021		\$ 19,530		\$ 82,894		98.6%
<b>Subtotals - Non-Labor Costs</b>										
Number of Meetings (in person)		\$0.00		\$1,207.78		\$0.00		\$0.00		1.4%
Rate Per Mile		0		14		0		0		
Mileage (RT)										
Ferry (RT)										
<b>PROJECT COSTS - PHASE ONE (Not to Exceed)</b>										
										<b>TOTAL (not to exceed) \$ 84,102</b>

Note: Assumes that BHC staff will carpool for any of 14 possible visits to Island County.

84101.78

Task Number / Description	Hourly Billing Rate	Title/Role Name		TOTAL (not to exceed)
<b>PHASE TWO: RAID DESIGNATIONS, CODE UPDATES, INTERLOCAL AGREEMENTS</b>				
2A	RAID Designations			
2B	Updating Interlocal Agreements (Oak Harbor, Coupeville, Langley)			
2C	Island County Code Updates	\$130	\$98	\$103
<b>PHASE THREE: ONGOING TASKS</b>				
3A	Countywide Public Outreach			
3B	Coordination			
3C	Additional Task Work Orders			
<b>PROJECT COSTS - PHASE TWO &amp; THREE (Not to Exceed)</b>				
<b>TOTAL PROJECT COSTS (Not to Exceed)</b>				



ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL

MEETING DATE: 5/17/16  
  X   CONSENT AGENDA  
       REGULAR AGENDA  
       PUBLIC HEARING/MTG  
        
RESOLUTION/ORDINANCE NO

**DEPARTMENT:** Island County Planning & Community Development

**DIVISION:** *(if applicable)* Long Range Planning

**STAFF CONTACT:** Keith Higman

**AGENDA SUBJECT:** Request for Contract Signature  
Environmental Sciences Associates (ESA): Professional Services  
Contract No. RM-PLAN-2016-170; Risk No. RM-PLAN-2016-170

**BACKGROUND/SUMMARY:** WORK SESSION DATE 5/11/16

ESA will provide professional services and technical assistance to the County regarding the completion of the Comprehensive Plan update and completion of the Critical Areas Ordinance update project.

Contract Amount: \$93,951 (not to exceed including assignments under Task 4)  
Contract has completed Legal and Risk reviews.

**FISCAL IMPACT/FUNDING SOURCE:** GMA set-aside funds.

**RECOMMENDED ACTION:**

<input checked="" type="checkbox"/>	Approve/Adopt
<input type="checkbox"/>	Schedule Public Hearing/Meeting
<input type="checkbox"/>	Continue Public Hearing/Meeting
<input type="checkbox"/>	Information/Discussion
<input checked="" type="checkbox"/>	Other <i>(describe)</i> Chair Signature _____

**SUGGESTED MOTION:**

[BELOW TO BE COMPLETED BY CLERK OF BOARD]

BOCC ACTION:

- APPROVED
- DENIED
- TABLED/DEFERRED/NO ACTION TAKEN
- CONTINUED TO DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ TIME: \_\_\_\_\_
- OTHER \_\_\_\_\_

## **PROFESSIONAL SERVICES AGREEMENT**

### **Between Island County and Environmental Sciences Associates (ESA)**

Contract No. RM-PLAN-2016-170

THIS PROFESSIONAL SERVICES AGREEMENT is made and entered into, by and between ISLAND COUNTY, Washington, hereinafter called "COUNTY" and Environmental Sciences Associates (ESA), a Washington corporation, located at 5309 Shilshole Avenue NW, Suite 200, Seattle, WA 98107 hereinafter called "CONSULTANT".

WITNESSETH: In consideration of the terms and conditions herein and attached and made a part of this agreement, the parties do covenant and agree as follows:

1. **SCOPE OF WORK:** Any item of work not specifically outlined in Exhibit "A" – Scope of Work - shall be provided for by a task assignment. Each assignment will be individually negotiated by the Island County Interim Long Range Planning Director (Task Approving Authority) and CONSULTANT. The Task Approving Authority is not obligated to assign any specific number of additional tasks to CONSULTANT, and CONSULTANT'S obligations herein are limited to tasks assigned in writing in Exhibit "A". Any task assignment made by the Task Approving Authority and CONSULTANT shall be issued in writing by a Formal Task Assignment Document.
2. **PERIOD OF PERFORMANCE:** CONSULTANT'S work shall commence on April 1, 2016 and all work shall be completed by December 31, 2016. All documents and deliverables shall be filed with COUNTY prior to the aforementioned completion date.
3. **INDEPENDENT CONSULTANT:** CONSULTANT is not an employee of COUNTY and shall not hold itself out to be an employee. CONSULTANT is responsible for withholding and/or paying employment taxes, insurance, and deductions of any kind required by federal, state and/or local laws.
4. **CONSIDERATION:** COUNTY shall pay CONSULTANT to provide the described services in accordance with the sums set forth in Exhibit "B" attached hereto. Consideration of any service negotiated and performed under Task 4 shall not exceed \$49,000 and in total, consideration for all tasks outlined in Exhibit "B" shall not exceed \$93,951.
5. **BILLING PROCEDURE:** CONSULTANT shall submit monthly progress billings to COUNTY. COUNTY shall pay to CONSULTANT the amounts billed, upon receipt of properly executed invoices submitted monthly to the Island County Planning Department and thereupon approved or adjusted for payment.
6. **CONTRACT MANAGEMENT:** The Island County Interim Long Range Planning Director shall manage and administer this contract for COUNTY, for the benefit and on behalf of the COUNTY, subject to the terms herein.

7. ASSIGNMENT: COUNTY and CONSULTANT shall not assign this agreement or any rights or responsibilities under it without first obtaining the other party's written consent, whether during performance or after performance.

8. PROVISION OF DOCUMENTS: COUNTY shall provide CONSULTANT with pertinent information concerning COUNTY'S requirements for the work performed under this agreement. This includes providing drawings, specifications, schedules and other information prepared by or available to COUNTY pertinent to the services provided under this agreement.

9. RECORDS: CONSULTANT shall maintain all records (fiscal and other) pertaining to this agreement for a period of not less than two years. These records shall be available to COUNTY for its review upon reasonable notice.

10. CONFIDENTIAL DATA: CONSULTANT acknowledges that COUNTY is subject to Chapter 42.56 RCW or its successor, and records associated with this agreement are public records as defined in Chapter 42.56 RCW. Any and all information or data that is designated in writing as confidential and given by one of the parties hereto to the other in performance of the work shall not at any time hereafter be disclosed to any person, firm or corporation; except COUNTY may be required to disclose any public records not exempt from disclosure under Chapter 42.56 RCW or its successor.

11. OWNERSHIP OF DOCUMENTS: All documents prepared by CONSULTANT pursuant to this agreement are instruments of service intended for use solely with respect to this project. These instruments of service shall become the property of COUNTY upon COUNTY'S performance of its payment obligations under this agreement. Any reuse or modification of such instruments of service by COUNTY or others without CONSULTANT'S written consent shall be without liability on the part of CONSULTANT, its employees, agents or sub-contractors.

12. INDEMNIFICATION: To the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless COUNTY, agencies of COUNTY and all officials, agents and employees of COUNTY from and against any and all claims to the extent caused by CONSULTANT'S negligent acts, errors or omissions in connection with the performance of this contract and those of its sub-consultants or anyone for whom the CONSULTANT is legally liable. "Claim" as used in this agreement means any financial loss, claim, suit, action, damage, or expense, including but not limited to reasonable attorney fees, attributable for bodily injury, sickness, disease or death, or injury to or destruction of tangible property including loss of use resulting there from. CONSULTANT'S obligation to indemnify, and hold harmless includes any claim by CONSULTANT, agents, employees, representatives, or any sub-contractor to its employees.

CONSULTANT'S obligation to indemnify and hold harmless COUNTY shall not be eliminated by any actual or alleged concurrent negligence of COUNTY or its agents, agencies, employees and officials. CONSULTANT is not obligated to indemnify COUNTY in any manner whatsoever for COUNTY'S own negligence.

13. INSURANCE: Prior to commencement of services under this agreement, CONSULTANT shall submit to COUNTY certificates of insurance or certified copies of insurance policies and endorsements, for the coverage required below and shall maintain the same type of coverage as is currently in effect for the life of this agreement. CONSULTANT shall maintain at CONSULTANT'S sole expense the following insurance coverages, insuring CONSULTANT, its employees, agents, designees and indemnities as required herein:

A. CONSULTANT shall not commence work under this Contract until CONSULTANT has obtained all insurance required under this paragraph and such insurance has been approved by COUNTY.

B. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Washington and have a Best's rating of at least A-VII. All insurance, other than Professional Liability and Workmen's Compensation to be maintained by CONSULTANT shall specifically include COUNTY as an "Additional Insured" and shall not be canceled without sixty (60) days written prior notice to the COUNTY. CONSULTANT insurance coverage shall be primary insurance as respect to COUNTY, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by COUNTY, its officers, officials, employees or volunteers shall be excess of CONSULTANT'S insurance and shall not contribute to it.

C. CONSULTANT shall maintain, during the life of the contract, Industry Standard Occurrence Commercial General Liability Policy Form (CG0001) or equivalent, including Premises/Operations. Products/Completed Operations, Blanket Contractual Liability and Personal Injury Coverage, to protect CONSULTANT from claims for damages for bodily injury, including wrongful death, as well as from claims of property damage which may arise from any operations under this contract whether such operations be by CONSULTANT or by anyone directly employed by or contracting with CONSULTANT.

Specific limits required	\$2,000,000 General Aggregate
	\$1,000,000 Products/Completed Operations Aggregate
	\$1,000,000 Personal Injury and Advertising Injury
	\$1,000,000 Each Occurrence

The Commercial General Liability Policy will contain an endorsement naming COUNTY as Additional Insured (CG2010) and an endorsement that specifically states CONSULTANT General Liability shall be primary, and not contributory, with any other insurance maintained by COUNTY.

The policy shall be endorsed to include stop gap employer's liability coverage with minimum limits as follows:

\$1,000,000 Each Accident
\$1,000,000 Policy Limit for Disease
\$1,000,000 Each Employee for Disease

D. Commercial General Liability insurance shall be endorsed to include a "cross liability", indicating essentially that except with respect to the limits of insurance, and any rights or duties specifically assigned in this coverage part to the first named insured, this insurance applies as if each named insured were the only named insured, and separately to each insured against whom claims are made or suit is brought.

E. CONSULTANT shall maintain during the life of this Contract, Business and Automobile Liability Insurance (CA0001), or equivalent in the amount of \$1,000,000 Bodily Injury and Property Damage per combined single limit to protect CONSULTANT from claims which may arise from the performance of this Contract, whether such operations be by CONSULTANT or by anyone directly or indirectly employed by CONSULTANT. Covered auto shall be designated as "Symbol 1" any auto.

F. All Liabilities, coverages, except Professional Liability, shall be written on an Occurrence policy form. If coverage is Claims Made form, the Retroactive Date shall be prior to or coincident with the fully executed date of this contract, and the policy shall state that coverage is Claims Made, and state the Retroactive Date. Should Claims Made be the only option, a minimum of a three (3) year tail coverage shall be maintained after the expiration of the contract.

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H. Industrial Insurance Waiver – With respect to the performance of this Contract and as to claims against COUNTY, its officers, agents and employees, CONSULTANT expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to indemnify, defend and hold harmless provided in this Agreement extend to any claim brought by or on behalf of any employee of CONSULTANT against COUNTY. However, CONSULTANT'S waiver of immunity by the provisions of this paragraph, extend only to claims against CONSULTANT by COUNTY and does not include or extend to claims by CONSULTANT'S employees directly against CONSULTANT. This waiver is mutually negotiated by the parties to this Agreement.

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maintained by CONSULTANT or sub-consultant for a minimum of three (3) years following the termination of this contract, and CONSULTANT or subcontractor shall annually provide COUNTY with proof of renewal.

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**14. CERTIFICATION REGARDING SUSPENSION AND DEBARMENT: CONSULTANT certifies to the best of its knowledge and belief it:**

A. Is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any Federal department or agency.

B. Has not within a three-year period been convicted of or had a civil judgment rendered against him for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, State, or local transaction, violation of Federal or State antitrust statutes or commission of embezzlement, forgery, bribery, falsification or destruction of record, making a false statement or receiving stolen property.

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D. Has not within a three-year period had one or more public transactions terminated for cause or default.

CONSULTANT shall provide immediate written notice if at any time it learns that this certification has become erroneous by reason of changed circumstances.

By signing this certification CONSULTANT agrees that it shall not knowingly enter into any lower tier covered transaction that the entity or principals are debarred, suspended, declared ineligible, proposed for debarment, or voluntarily excluded from participation in this covered transaction. CONSULTANT may rely upon certification of a lower tier covered transaction unless he knows that the certification is erroneous.

**15. TERMINATION:** Except as otherwise provided in this agreement, either party may terminate this agreement upon thirty (30) days written notification. If this agreement is so terminated, the terminating party shall be liable only for performance in accordance with the terms of this agreement for performance rendered prior to the effective date of termination.

IN WITNESS WHEREOF the parties have caused this agreement to be executed as dated.

Executed by CONSULTANT this 9<sup>th</sup> day of May, 2016.



\_\_\_\_\_  
Signature

Name & Title Mark S. Johnson  
Environmental Sciences Associates

Executed by COUNTY this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Board of County Commissioners  
Island County, Washington

\_\_\_\_\_  
Richard M. Hannold, Chair



## Scope of Work

### Island County Critical Areas Ordinance Update

Island County is currently updating its 2005 Comprehensive Plan and Critical Areas Ordinance (CAO), with an originally planned adoption deadline of June 30, 2016 in accordance with the requirements of the Growth Management Act. Staff changes and other factors resulted in Island County extending the deadline and the County now anticipates adoption by late summer of 2016. ESA is currently under contract to provide technical assistance to the County regarding the CAO Update project. However, Island County has requested ESA provide additional assistance in completing the Comprehensive Plan Update seeing it through to adoption. Island County has also requested ESA provide additional assistance in completing the CAO Update project beyond the scope of work in the current contract. ESA and its subconsultant, Richard Weinman LLC, hereafter together referred to as ESA, shall provide the following scope of services under this new agreement.

#### General Assumptions:

- The efforts described in the agreement will take approximately six months, with all work completed by the termination date of the contract performance period.
- Project administration and management shall be provided by Island County, including but not limited to project records maintenance, submittal of payment vouchers, fiscal forms and procurement compliance. If necessary, coordination for individual work assignments outlined in Task 4 may be negotiated by the Island County Interim Long Range Planning Director (Task Approving Authority) and ESA in advance of being incorporated herein.
- Unless otherwise noted, ESA shall participate in meetings in-person at the County offices located in Coupeville as needed. Meetings typically are via phone conference, including regularly scheduled bi-weekly progress meetings.
- Travel time shall be billed at the contractual hourly rate from ESA offices in Ballard.
- Direct expenses shall be reimbursed at cost. Mileage shall be reimbursed at the federal rate.

#### Task 1 – Additional Critical Areas Ordinance Update Support

ESA shall provide additional support related to the CAO Update project with regards to agricultural and critical area regulations. ESA shall:

- A. Develop a synthesis of current and evolving approaches in use by other counties where agriculture is a dominant land use.
- B. Collaborate with Island County to assemble policy options that best match the need to protect critical areas while simultaneously promoting agricultural land uses.
- C. Assist Island County with drafting code language that implements the selected policies for agricultural areas.



## **Task 2 - Integration of ICC 17.02 and 17.02A, and Current Updates into 17.02B**

ESA shall complete the work started by Island County to integrate ICC 17.02 and 17.02A into 17.02B, including:

- A. Coordinate with the County's Comprehensive Plan Lead on an approach to finalize the integrated code.
- B. Review the substantially complete annotated draft of 17.02B that combines 17.02A and 17.02B, as prepared and provided by County planning staff (version 1). Revise the draft to create version 2, to be provided to County staff for review. This includes the following assumptions regarding revisions to be made:
  1. 17.02B: Copy General Purpose and Intent statement from 17.02. Create brief Purpose and Intent Statement for wetlands. Cross reference other titles for Critical Aquifer Recharge Areas (CARAs) and Frequently Flooded Areas (FAAs).
  2. Throughout document, Geologic Hazards Areas, CARAs and FAAs should cross reference to other County Code chapters if applicable (8.09 ICC or 14.02A for example)
  3. 17.02B.030: Review Applicability sections to ensure internal consistency across critical areas.
  4. 17.02B.040: Keep as is (other than cross referencing under #2) – no additional effort.
  5. 17.02B.050: General Interpretation and Definitions – eliminate reference to 17.02 and 17.02A
  6. 17.02B.060: Review definitions for conflicts with 17.02 or 17.02A or identified missing definitions. Missing definitions shall be added verbatim unless they conflict with 17.02B. If other conflicts are found, determine whether the old definition needs to be retained, or if 17.02B definition is sufficient. Ensure definitions comply with Growth Management Hearings Board, applicability of definitions, and consistency with other code sections, WACs, Commerce guidance, technical information and maps including WA State Dept. of Natural Resources, audit for conflicts with other sections and consider additions and exclusions based on Island County input. Assume that existing language of 17.02B shall be retained unless a conflict is found. No changes to recently updated definitions related to Fish & Wildlife Habitat Conservation Areas (FWHCA).
  7. 17.02B.080: Verify code citations within and review and edit mitigation plan requirements for consistency with wetland requirements.
  8. 17.02B.210: Wetlands - include additional language, fix citations and references.
  9. 17.02B.220 - .240: Add cross references to relevant code sections - covered in #2.
  10. 17.02B.300: Review and amend exemption table
  11. 17.02B.310 C3: Permitted alterations in FWHCAs - Very minor changes per notes by County staff
  12. 17.02B.310 D: Verification of code sections, revisions to existing language, and QA/QC
  13. 17.02B.320: Variances - incorporate proposed addition for geohazard areas and check cross references.
  14. 17.02B.400 B: Revise code language to match Island County intent.
  15. 17.02B.400 C - D: Review language and rewrite fence provision.
  16. 17.02B.410 C: Check text added and moved from 17.02A by County staff for cross references and conflicts.



17. 17.02B.410 - 17.02B.540: Check citations in sections moved from 17.02A (cross references for geohazards, FFAs, and CARAs completed under #2).

18. 17.02B.550: No changes to this section.

- C. Respond to County staff comments to create version 3 to be used as the baseline document for the current CAO update in Task 3.
- D. Compile comments on version 4 from County staff and the CAO Technical Advisory Group (TAG) and integrate code changes resulting from that effort into the new Chapter 17.02B for Planning Commission and public review (version 5). This may include ESA's staff participation at up to two CAO Technical Advisory Group (TAG) meetings, as needed.
- E. Assist County staff with presenting the version 5 draft to the Planning Commission and assist with drafting the Findings of Fact. Revise per Planning Commission comments (version 6).
- F. Assist with presentation to the Board of County Commissioners. Make final revisions to provide to County Code Reviser for adoption ordinance (version 7 - ESA work under separate contract).

### **Task 3 – Draft Code Revisions to 17.02B for 2016 CAO Update**

This task involves taking the recommendations from previously completed CAO update work, and the results of Task 1 above and developing code revisions to implement those recommendations. The revisions shall be made to the draft revised 17.02B v3 developed under Task 2 above.

- A. Identify code sections to be updated and all related references, draft code language recommendations, and coordinate resolution of issues with the Comprehensive Plan Lead. Prepare a preliminary draft incorporating all updates (version 4). Changes made at this stage (Task 3 A) shall be highlighted to differentiate from changes made under Task 3.

### **Task 4 – General Planning Support**

This task may include assignments made through negotiations with the Island County Task Approving Authority and ESA. Task assignments may be made on an as-needed basis. These assignments may include:

- A. Updating chapters or sections of the Comprehensive Plan
- B. Assisting with outreach (e.g., meetings)
- C. Other tasks related to the planning effort

Scope, schedule and budgetary expectations shall be included in any assignment that may be negotiated under this task and incorporated herein with the signing of a Formal Task Assignment Document. Consideration for any task that may be assigned under Task 4 will not exceed the amounts set forth in Exhibit B. For any task assignments made ESA shall assign staff in consultation with County staff to ensure timely and efficient execution of assignments.

TABLE 1: PRICING PROPOSAL  
 ESA Labor Detail and Expense Summary

Exhibit B to RM-PLAN-2016-170

Hourly Billing Rate	Task Number / Description	Project Director Johnson	Land Use Planner Hagenow	Watershed Planner Booy	Senior Ecologist Logan	GMA Expert Weirman	Subtotal	Total Hours	Total Labor Price
	Task 1	6	20		60	2	\$ 13,070	88	\$ 13,070
	Task 2	12	191	2	9	8	\$ 26,535	222	\$ 26,535
	Task 3	2	4	4	20		\$ 4,440	30	\$ 4,440
	Task 4	10	300	60	30	10	\$ 49,000	410	\$ 49,000
	Total Hours	30	515	66	119	20		750	
	Subtotals - Labor Costs	\$ 6,000	\$ 56,650	\$ 8,250	\$ 18,445	\$ 3,700	\$ 93,045		\$ 93,045
	Percent of Effort - Labor Hours Only	4.0%	68.7%	8.8%	15.9%	2.7%		100.0%	
	Percent of Effort - Total Project Cost	6.4%	60.3%	8.8%	19.6%	3.9%			99.0%
	ESA Labor Costs								\$ 93,045
	ESA Non-Labor Expenses								\$ 653
	Mileage (@0.54 per mile) (11 meetings @110 miles RT)								\$ 253
	Ferry (23.00 RT) (11 meetings)								\$ 906
	Subtotal ESA Non-Labor Expenses								\$ 906
	<b>TOTAL PROJECT PRICE</b>								<b>\$ 93,951</b>

Not to Exceed:



**ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL**

MEETING DATE:  
May 17, 2016  
 CONSENT AGENDA  
 REGULAR AGENDA  
 PUBLIC HEARING/MTG  
 RESOLUTION/ORDINANCE NO

<b>DEPARTMENT:</b> Public Works	
<b>DIVISION:</b> (if applicable) Engineering	
<b>STAFF CONTACT:</b> Bill Oakes / Mary Martin	
<b>AGENDA SUBJECT:</b> Boon Road Imp. Phase 1 – Property Acquisition (Parcel #R13216-428-0670)	
<b>BACKGROUND/SUMMARY:</b>	<b>WORK SESSION DATE:</b> (if applicable) <u>May 4, 2016</u>
<p>The Lawniczak/Pitt (Property Owners of R13216-428-0670) accepted the County's offer to purchase property rights for a roadway easement and a temporary easement (10 years) for a wetland mitigation site for the Boon Road project.</p> <p>The County received notification from the US Army Corps of Engineers that the easement for the wetland mitigation site needed to be in perpetuity and a temporary easement would not suffice.</p> <p>The property owners did not want to give a permanent easement because they felt it would have a significant impact to the future sale of the property. They asked if we would reconfigure the wetland mitigation to be contained within the south 5 acres of their parcel. The administrative offer summary was revised to include the value for purchasing the South 5 acres of said parcel. The new total exceeds Bill Oakes authority to sign for real estate.</p>	
<b>FISCAL IMPACT/FUNDING SOURCE:</b>	
Six (6) Year Transportation Improvement Program (TIP) 2016-2021 – Item #8 Boon Road Improvement Sec. 1	
<b>RECOMMENDED ACTION:</b>	
<input type="checkbox"/> Approve/Adopt <input type="checkbox"/> Schedule Public Hearing/Meeting <input type="checkbox"/> Continue Public Hearing/Meeting <input type="checkbox"/> Information/Discussion <input type="checkbox"/> Other (describe) _____	
<b>SUGGESTED MOTION:</b>	

[BELOW TO BE COMPLETED BY CLERK OF BOARD]

**BOCC ACTION:**

- APPROVED
- DENIED
- TABLED/DEFERRED/NO ACTION TAKEN
- CONTINUED TO DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ TIME: \_\_\_\_\_
- OTHER \_\_\_\_\_

### ADMINISTRATIVE SETTLEMENT

<b>From: Rosa M Villa, SR/WA, Negotiator</b>	<b>Project Title:</b> <b>Boon Road Reconstruction Section 1</b>
<b>To: Mary Martin</b> <b>Island County</b> <b>Department of Public Works</b> <b>PO Box 5000</b> <b>Coupeville, WA 98239-0698</b>	<b>Parcel No:</b> <b>R13216-428-0670 and 495-0670</b>
	<b>Parcel Owner:</b> <b>David Lawniczak &amp; Franna Pitt</b>

Amount of Approved DV:                   \$ 34,300.00 (Appraisal review by Christopher Eldred - 3/4/2015 )  
\$ 26,320.00 plus county to replace fences (Negotiated – 10/2015)  
\$ Additional \$18,215 (Permanent Easements for Wetlands – AOS 1/19/2016)  
**Total Approved by County: \$ 44,535.00 (\$26,320.00 plus \$18,215)**

Amount of Proposed Settlement           \$69,094.20 minus \$26,320.00 = \$42,774.20

#### History of Negotiations:

**This administrative settlement report is prepared as justification for the acceptance of Owner(s) counter offer of \$69,094.20, which \$26,320.00 has been paid resulting with a final payment of \$42,774.20.**

**On October 6, 2015, the property owners accepted the county's offer to purchase property rights for a roadway easement and a temporary easements for a wetland mitigation site. In December 2015, the county received notification from the US Army COE that the easement for the wetlands mitigation site needed to be in perpetuity and a temporary easement would not suffice. On December 31, 2015, Tetra Tech discussed this issue with the acquisition agent and explained that the county will need to convert the temporary easements area into permanent easements, and that all other conditions would remain unchanged.**

**On January 13, 2016, an Administrative Offer Summary (AOS) report was prepared for each parcel for compensation of the permanent easements. These AOS reports were approved by the county on January 19, 2016 and several calls were made to the property owners to schedule a meeting to present the revised offer in person. On February 8, 2016, the revised offer package was delivered to the property owners by electronic mail and regular mail. The agent asked for an opportunity to meet in person to discuss the revised offer. The property owners promptly rejected the offer, saying that a permanent easement would have a significant impact to the future sale of the property. They asked if the county would consider leaving the north parcel intact and purchase the entire south parcel. On February 19, 2016, Doug Holbert, P.E., and Keith Elefson, P.E., with Island County met with the property owners together with the acquisition agent on site to discuss the county's offer. Again, the property owners rejected the permanent easement, but the property owners expressed an interest in selling the wetland mitigation area in fee estate. They offered to sell five acres of their property and asked the county to reconfigure the fee area into a rectangular shape. They also asked the county to place the wetland mitigation site entirely onto the south parcel and leaving the north parcel intact. Finally, they asked the county to assist them in adjoining their two separate tax parcel lots to protect their property tax exemption.**

**On March 7, 2016, the county confirmed that they were able to relocate the wetland mitigation site to impact only the south parcel agreed to purchase a rectangular shape area in fee estate for the wetland mitigation site. The county also confirmed that the purchase of a five acre area would not result with a loss of their tax exemption. On 3/10/2016, the agent relayed the information to the property owners. On March 16, 2016, the property owners agreed to: 1) sell five acres from the south parcel for the wetland mitigation site; 2) request the county to remove the temporary easement from the north parcel; and 3) have the option to approve the 5 acre configuration design.**

## History of Negotiations: (Continued)

On 3/24/2016, the new right-of-way plan was prepared by Tetra Tech. After reviewing the plans, the acquisition agent again contacted the property owners by telephone on 3/28/2016 and again on 3/29/2016. The property owners did not respond, so the acquisition agent emailed the plans to the owners on 3/30/2016 and followed up again on 3/31/2016. The property owners responded on 3/31/2016 explaining that they were too busy to review the plans and would make the attempt to review that evening. The owners didn't respond, so the agent continued leaving messages by phone and emails. Finally, on 4/18/2016, the property owners responded and stated that they approved the plans and agreed to proceed.

The county and property owner have reached an agreement and this administrative settlement is being prepared to provide the following detailed description of the revised offer:

**Revised Offer:**

R13216-428-0670

SF	Property Type	Compensation
3,542	Permanent Easement: 3,542 SF x \$0.25 PER SF x @ 90%	\$ 796.95
217,785	Fee Estate: 217,785 SF x \$0.25 Per SF	\$ 54,446.25
	Improvements: fence located within fee area 300 LF x \$6.00 Per LF	\$ 1,800.00
	Improvements: Fence: 363 LF x \$10 Per LF (Includes Clearing & Grubbing)	\$ 3,630.00
	Sub-Total	\$ 60,673.20

R13216-495-0670

SF	Property Type	Compensation
6,626	Permanent Easement: 6,626 SF x \$0.25 Per SF x @ 90%	\$ 1,491.00
	Improvement: Fence: 663 LF x \$10 Per LF (Includes Clearing & Grubbing)	\$ 6,630.00
	Improvements: Gravel - 300 SF x \$1.00 Per SF	\$ 300.00
	Sub-Total	\$ 8,421.00
<b>TOTAL (JUST COMPENSATION):</b>		<b>\$ 69,094.20</b>

As previously mentioned, the new design results with a total just compensation of \$69,094.20, of which \$26,320.00 was previously paid to the property owners. This results with a final payment of \$42,774.20. In this configuration, the county will be required to pay for the value of the fence located within the fee area. The county will also be required to fence the perimeter of the wetland or the five acre area to keep farm animals from damaging the proposed wetland improvements. Finally, the property owners will be required to relocate their field fence away from the roadway easement. As a result, the above calculations include compensation for the relocation of the fence based on the appraiser's computations of \$6.00 per lineal feet together with an additional cost of \$4.00 per lineal feet for clearing and grubbing. This is consistent with offers made to other property owners within the project area.





**ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL**

MEETING DATE: 5/17/16	
<input checked="" type="checkbox"/>	CONSENT AGENDA
<input type="checkbox"/>	REGULAR AGENDA
<input type="checkbox"/>	PUBLIC HEARING/MTG
RESOLUTION/ORDINANCE NO	

<b>DEPARTMENT:</b>	Public Works										
<b>DIVISION:</b> <i>(if applicable)</i>	ER&R / Roads										
<b>STAFF CONTACT:</b>	Matt Nienhuis										
<b>AGENDA SUBJECT:</b>	Award Recommendation for 2016 Hot Mix Asphalt Supplies										
<b>BACKGROUND/SUMMARY:</b>	<p align="right"><b>WORK SESSION DATE:</b> <i>(if applicable)</i> <u>2/3/16</u></p> <p>As discussed by the Board of Commissioners at the February 3<sup>rd</sup> meeting as part of the Pavement Preservation Program for 2016.</p> <p>The asphalt materials are to be used for the road maintenance projects. Island County Public Works received and opened competitive bids on March 21, 2016 for the supplying of Hot Mix Asphalt Supplies for the 2016 Road Maintenance Program. After reviewing the bid proposals, we recommend awarding bid C-23-16/R-13-16 to the primary and secondary low bidders as indicated on the bid comparison spread sheet.</p>										
<b>FISCAL IMPACT/FUNDING SOURCE:</b>	Road Fund										
<b>RECOMMENDED ACTION:</b>	<table border="0"> <tr> <td><input checked="" type="checkbox"/></td> <td>Approve/Adopt</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Schedule Public Hearing/Meeting</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Continue Public Hearing/Meeting</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Information/Discussion</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other <i>(describe)</i> _____</td> </tr> </table>	<input checked="" type="checkbox"/>	Approve/Adopt	<input type="checkbox"/>	Schedule Public Hearing/Meeting	<input type="checkbox"/>	Continue Public Hearing/Meeting	<input type="checkbox"/>	Information/Discussion	<input type="checkbox"/>	Other <i>(describe)</i> _____
<input checked="" type="checkbox"/>	Approve/Adopt										
<input type="checkbox"/>	Schedule Public Hearing/Meeting										
<input type="checkbox"/>	Continue Public Hearing/Meeting										
<input type="checkbox"/>	Information/Discussion										
<input type="checkbox"/>	Other <i>(describe)</i> _____										
<b>SUGGESTED MOTION:</b>	Move to approve the Bid Award for Hot Mix Asphalt Supplies to Lakeside Industries as the primary provider, Krieg Construction as the Secondary provider for the Coupeville & Oak Harbor Shops and Granite Construction for the Bayview & Camano Road Shop. Along with Granite Construction to be the secondary provider for Tack Coat Oil for all four road shops.										

*[BELOW TO BE COMPLETED BY CLERK OF BOARD]*

**BOCC ACTION:**

<input type="checkbox"/>	APPROVED
<input type="checkbox"/>	DENIED
<input type="checkbox"/>	TABLED/DEFERRED/NO ACTION TAKEN
<input type="checkbox"/>	CONTINUED TO DATE: ____/____/____ TIME: _____
<input type="checkbox"/>	OTHER _____

## ISLAND COUNTY PUBLIC WORKS ROADS DIVISION

### BID AWARD RECOMMENDATION

**RE:** Hot Mix Asphalt Materials for 2016  
Resolution C-23-16 / R-13-16

**BIDDERS:** Krieg Construction – Oak Harbor  
Granite Construction - Everett  
Lakeside Industries – Burlington  
Cemex - Everett

**RECOMMENDATION:**

Recommend award of concrete asphalt materials to the lowest responsible bidders as follows: (see attached bid comparison). When determining lowest bidder, the cost for Island County Forces to haul the material was taken into consideration.

Location	HMA CI 3/8" – PG 64-22	HMA CI 1/2" – PG 64-22	Tack Coat Oil CSS-1
Primary All Shops	Lakeside Industries Burlington	Lakeside Industries Burlington	Lakeside Industries Burlington
Secondary Coupeville Shop Oak Harbor Shop	Krieg Construction Oak Harbor	Krieg Construction Oak Harbor	Granite Construction Everett
Secondary Bayview Shop Camano Shop	Granite Construction Everett	Granite Construction Everett	Granite Construction Everett

Award Recommended:

  
\_\_\_\_\_  
William E. Oakes, P.E.  
Director/Island Co Engineer

Approved:

\_\_\_\_\_  
Richard M. Hannold, Chair  
Board of County Commissioners  
Island County, Washington

Dated: 4/28/2016

Dated: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Debbie Thompson, Clerk of the Board

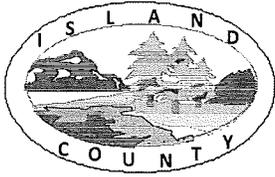
**ISLAND COUNTY PUBLIC WORKS  
2016 HOT MIX ASPHALT MATERIALS**

**BID COMPARISON**

All prices are per Ton

	<b>Cemex</b> 222 West Marine Dr Everett	<b>Granite</b> 2111 Ross Ave Everett	<b>Krieg</b> 70 W Sleeper Rd Oak Harbor	<b>Lakeside</b> 8198 Hwy 99 Burlington
Sales Tax:	9.5%	9.2%	8.7%	8.5%
<b>HMA CI 3/8" - PG 64-22</b>	\$66.00	\$63.00	\$70.00	\$61.00
Sales Tax:	\$6.27	\$5.80	\$6.09	\$5.19
	<b>\$72.27</b>	<b>\$68.80</b>	<b>\$76.09</b>	<b>\$66.19</b>
<b>HMA CI 1/2" - PG 64-22</b>	\$63.00	\$60.00	\$70.00	\$58.00
Sales Tax:	\$5.99	\$5.52	\$6.09	\$4.93
	<b>\$68.99</b>	<b>\$65.52</b>	<b>\$76.09</b>	<b>\$62.93</b>
<b>Tack Coat Oil CSS-1</b>	\$750.00	\$600.00	\$850.00	\$600.00
Sales Tax:	\$71.25	\$55.20	\$73.95	\$51.00
	<b>\$821.25</b>	<b>\$655.20</b>	<b>\$923.95</b>	<b>\$651.00</b>

Primary All Shops  
Secondary HMA Coupeville & Oak Harbor Shops  
Secondary HMA Bayview & Camano Shops  
Secondary Tack Oil All Shops



**ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL**

MEETING DATE: 5/17/16	
<input checked="" type="checkbox"/>	CONSENT AGENDA
<input type="checkbox"/>	REGULAR AGENDA
<input type="checkbox"/>	PUBLIC HEARING/MTG
RESOLUTION/ORDINANCE NO	

<b>DEPARTMENT:</b>	Public Works
<b>DIVISION:</b> <i>(if applicable)</i>	ER&R / Roads
<b>STAFF CONTACT:</b>	Matt Nienhuis
<b>AGENDA SUBJECT:</b>	Contract with Lakeside Industries, Inc. for Hot Mix Asphalt Supplies
<b>BACKGROUND/SUMMARY:</b>	<p align="right"><b>WORK SESSION DATE:</b> <i>(if applicable)</i> <u>2/3/16</u></p> <p>Discussed with the Board of Commissioners at the February 3<sup>rd</sup> meeting as part of the Pavement Preservation Program for 2016.</p> <p>Island County Public Works received and opened competitive bids on March 21, 2016 for the supplying of Hot Mix Asphalt Supplies to be used for road maintenance projects. After reviewing the bid proposals, we recommended as the primary supplier for Island County Road Shops, Lakeside Industries, Inc.. The proposed Contract between Lakeside Industries, Inc. and Island County Public Works is for the period of May 1, 2016 to May 1, 2017.</p>
<b>FISCAL IMPACT/FUNDING SOURCE:</b>	Road Fund
<b>RECOMMENDED ACTION:</b>	<input checked="" type="checkbox"/> Approve/Adopt <input type="checkbox"/> Schedule Public Hearing/Meeting <input type="checkbox"/> Continue Public Hearing/Meeting <input type="checkbox"/> Information/Discussion <input type="checkbox"/> Other <i>(describe)</i> _____
<b>SUGGESTED MOTION:</b>	Move to approve the Contract between Lakeside Industries, Inc. and Island County Public Works for the supplying of Hot Mix Asphalt.

*[BELOW TO BE COMPLETED BY CLERK OF BOARD]*

**BOCC ACTION:**

<input type="checkbox"/>	APPROVED
<input type="checkbox"/>	DENIED
<input type="checkbox"/>	TABLED/DEFERRED/NO ACTION TAKEN
<input type="checkbox"/>	CONTINUED TO DATE: ____/____/____ TIME: _____
<input type="checkbox"/>	OTHER _____

## CONTRACT

THIS AGREEMENT AND CONTRACT made and entered into at 1 NE Sixth Street, Coupeville, Washington, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between Island County, hereinafter called the "Contracting Agency," and Lakeside Industries, Inc. located at 11497 Havekost Road, Anacortes, WA 98221 hereinafter called the "Contractor."

**WITNESSETH:** That in consideration of the terms and conditions contained herein and made a part of this agreement, the parties hereto covenant and agree as follows:

- I. The Contractor has met the criteria set forth to be considered a responsible bidder. The Contractor has documented for the Contracting Agency its certificate of registration as a contractor in compliance with chapter 18.27 RCW; has a current state unified business identifier number; has industrial insurance coverage for the Contractor's employees working in Washington as required in Title 51 RCW; has an Employment Security Department number as required in Title 50 RCW; has a state excise tax registration number as required in Title 82 RCW; and has not been disqualified from bidding on any public works contracts.
- II. The Contractor shall include the language of this section in each of its first tier subcontracts, and shall require each of its subcontractors to include the same language of this section in each of their subcontracts, adjusting only as necessary the terms used for the contracting parties. Upon request of the Contracting Agency, the Contractor shall promptly provide documentation to the Contracting Agency demonstrating that the subcontractor meets the subcontractor responsibility criteria. The requirements of this section apply to all subcontractors.
  - A. At the time of subcontract execution, the Contractor shall verify that each of its first tier subcontractors meets the following bidder responsibility criteria:
    1. Have a current certificate of registration in compliance with chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal.
    2. Have a current Washington Unified Business Identifier (UBI) number.
    3. If applicable, have:
      - a. Industrial Insurance (workers' compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW;
      - b. A Washington Employment Security Department number; as required in Title 50 RCW;
      - c. A Washington Department of Revenue state excise tax registration number as required in Title 82 RCW;
      - d. An electrical contractor license, if required by Chapter 19.28 RCW;
      - e. An elevator contractor license, if required by Chapter 70.87 RCW.

4. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
- III. The Contractor shall do all work and furnish all tools, materials, and equipment for supplying HMA and Tack Coat Oil, at the cost to the Contracting Agency in accordance with the General Provisions, Specifications and Bid Proposal filed by the Contractor on the 21st day of March, 2016; and as described in the attached Appendix A, incorporated herein and made a part hereof, and shall perform any alterations in, or additions to, the work provided under this contract and every part thereof.
- Contract time shall commence on May 1, 2016 and continue to May 1, 2017. The contract period may be extended twice. Each extension shall be for one a (1) year increment in accordance with the County's best interest and at the sole option of the County. A minimum of 90 days prior to May 1 in 2017 and May 1 in 2018, the Contractor must submit its prices for the HMA and Tack Coat Oil for each one year extension period. If the price increases over the May 1, 2016 to May 1, 2017 price, the contract will not be extended and the County will solicit new bids.
- In the event that the successful bidder is unable to supply the material bid at the time requested, the Contracting Agency reserves the right to purchase said material from the successful secondary bidder or any source it deems appropriate during the period of non-availability.
- IV. Payment shall be made on a monthly or bimonthly basis, dependent upon submission of invoices itemizing quantities delivered or picked up by county crews. "Acceptance of delivery" shall be contingent upon determination that the items meet all specifications as contained in Appendix A.
- V. Default:
- A. The County may, subject to the provisions of (C) below, by written notice of default to the Contractor, terminate the whole or part of this contract in any one of the following circumstances:
    1. If the Contractor fails to make available the items bid within the time specified or any extension thereof; or
    2. If the supplies provided by the Contractor are not in conformance with the specifications.
  - B. In the event the County terminates this contract as provided in (A) above, the County may procure, upon such terms and in such manner as the County may deem appropriate, supplies/materials similar to those so terminated, and the Contractor shall be liable to the County for any excess costs for such materials: PROVIDED, that the Contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.
  - C. The Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the United States, the State of Washington, or Island County, in either their governmental or contractual capacities, fires, floods,

epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault of the Contractor.

- VI. Warranty: Successful bidder shall for a period of one (1) year from the date of purchase, guarantee the quality of the product supplied. Should failure of the product occur the supplier shall at his/her own expense pay all costs associated with any and all repairs including complete removal of failed product and placement of new product to include materials, labor, and equipment
- VII. The Contracting Agency hereby promises and agrees with the Contractor to employ and does employ, the Contractor to provide the materials and to do and cause to be done the above-described work and to complete and finish the same according to the plans and specifications and the terms and conditions herein contained and hereby contracts to pay for the same according to the specifications and the aforesaid proposal, at the time and in the manner and upon the conditions provided for in this contract.
- VIII. The Contractor, for itself, and for its heirs, executors, administrators, successors and assigns, does hereby agree to the full performance of all the covenants herein contained upon the part the Contractor.
- IX. It is further provided that no liability shall attach to the Contracting Agency, by reason of entering into this contract, except as expressly provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first hereinabove written.

Executed by the Contractor the 11<sup>th</sup> day of April, 2016.

Paul Gilman Division Manager  
Title

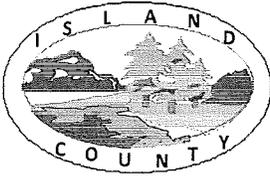
LAKESI 274JD 601 106 847  
License No. UBI No.

Executed by Island County the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Board of County Commissioners  
Island County, Washington

\_\_\_\_\_  
Richard M. Hannold, Chair

Attest: \_\_\_\_\_  
Debbie Thompson, Clerk of the Board



**ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL**

MEETING DATE: 5/17/16	
<input checked="" type="checkbox"/>	CONSENT AGENDA
<input type="checkbox"/>	REGULAR AGENDA
<input type="checkbox"/>	PUBLIC HEARING/MTG
RESOLUTION/ORDINANCE NO	

<b>DEPARTMENT:</b>	Public Works
<b>DIVISION:</b> <i>(if applicable)</i>	ER&R / Roads
<b>STAFF CONTACT:</b>	Matt Nienhuis
<b>AGENDA SUBJECT:</b>	Contract with Granite Construction for Hot Mix Asphalt Supplies
<b>BACKGROUND/SUMMARY:</b>	<p align="right"><b>WORK SESSION DATE:</b> <i>(if applicable)</i> <u>2/3/16</u></p> <p>Discussed with the Board of Commissioners at the February 3<sup>rd</sup> meeting as part of the Pavement Preservation Program for 2016.</p> <p>Island County Public Works received and opened competitive bids on March 21, 2016 for the supplying of Hot Mix Asphalt Supplies to be used for road maintenance projects. After reviewing the bid proposals, we recommended as the secondary supplier for the Bayview &amp; Camano Road Shops, Granite Construction. The proposed Contract between Granite Construction and Island County Public Works is for the period of May 1, 2016 to May 1, 2017.</p>
<b>FISCAL IMPACT/FUNDING SOURCE:</b>	Road Fund
<b>RECOMMENDED ACTION:</b>	<input checked="" type="checkbox"/> Approve/Adopt <input type="checkbox"/> Schedule Public Hearing/Meeting <input type="checkbox"/> Continue Public Hearing/Meeting <input type="checkbox"/> Information/Discussion <input type="checkbox"/> Other <i>(describe)</i> _____
<b>SUGGESTED MOTION:</b>	Move to approve the Contract between Granite Construction and Island County Public Works for the supplying of Hot Mix Asphalt.

*[BELOW TO BE COMPLETED BY CLERK OF BOARD]*

**BOCC ACTION:**

<input type="checkbox"/>	APPROVED
<input type="checkbox"/>	DENIED
<input type="checkbox"/>	TABLED/DEFERRED/NO ACTION TAKEN
<input type="checkbox"/>	CONTINUED TO DATE: ____/____/____ TIME: _____
<input type="checkbox"/>	OTHER _____

# CONTRACT

THIS AGREEMENT AND CONTRACT made and entered into at 1 NE Sixth Street, Coupeville, Washington, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_ by and between Island County, hereinafter called the "Contracting Agency," and Granite Construction located at 1525 E. Marine View Drive, Everett, WA 98201 hereinafter called the "Contractor."

**WITNESSETH:** That in consideration of the terms and conditions contained herein and made a part of this agreement, the parties hereto covenant and agree as follows:

- I. The Contractor has met the criteria set forth to be considered a responsible bidder. The Contractor has documented for the Contracting Agency its certificate of registration as a contractor in compliance with chapter 18.27 RCW; has a current state unified business identifier number; has industrial insurance coverage for the Contractor's employees working in Washington as required in Title 51 RCW; has an Employment Security Department number as required in Title 50 RCW; has a state excise tax registration number as required in Title 82 RCW; and has not been disqualified from bidding on any public works contracts.
- II. The Contractor shall include the language of this section in each of its first tier subcontracts, and shall require each of its subcontractors to include the same language of this section in each of their subcontracts, adjusting only as necessary the terms used for the contracting parties. Upon request of the Contracting Agency, the Contractor shall promptly provide documentation to the Contracting Agency demonstrating that the subcontractor meets the subcontractor responsibility criteria. The requirements of this section apply to all subcontractors.
  - A. At the time of subcontract execution, the Contractor shall verify that each of its first tier subcontractors meets the following bidder responsibility criteria:
    1. Have a current certificate of registration in compliance with chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal.
    2. Have a current Washington Unified Business Identifier (UBI) number.
    3. If applicable, have:
      - a. Industrial Insurance (workers' compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW;
      - b. A Washington Employment Security Department number; as required in Title 50 RCW;
      - c. A Washington Department of Revenue state excise tax registration number as required in Title 82 RCW;
      - d. An electrical contractor license, if required by Chapter 19.28 RCW;
      - e. An elevator contractor license, if required by Chapter 70.87 RCW.

4. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).

III. The Contractor shall do all work and furnish all tools, materials, and equipment for supplying HMA and Tack Coat Oil, at the cost to the Contracting Agency in accordance with the General Provisions, Specifications and Bid Proposal filed by the Contractor on the 21st day of March, 2016; and as described in the attached Appendix A, incorporated herein and made a part hereof, and shall perform any alterations in, or additions to, the work provided under this contract and every part thereof.

Contract time shall commence on May 1, 2016 and continue to May 1, 2017. The contract period may be extended twice. Each extension shall be for one a (1) year increment in accordance with the County's best interest and at the sole option of the County. A minimum of 90 days prior to May 1 in 2017 and May 1 in 2018, the Contractor must submit its prices for the HMA and Tack Coat Oil for each one year extension period. If the price increases over the May 1, 2016 to May 1, 2017 price, the contract will not be extended and the County will solicit new bids.

In the event that the successful bidder is unable to supply the material bid at the time requested, the Contracting Agency reserves the right to purchase said material from the successful secondary bidder or any source it deems appropriate during the period of non-availability.

IV. Payment shall be made on a monthly or bimonthly basis, dependent upon submission of invoices itemizing quantities delivered or picked up by county crews. "Acceptance of delivery" shall be contingent upon determination that the items meet all specifications as contained in Appendix A.

V. Default:

- A. The County may, subject to the provisions of (C) below, by written notice of default to the Contractor, terminate the whole or part of this contract in any one of the following circumstances:
  1. If the Contractor fails to make available the items bid within the time specified or any extension thereof; or
  2. If the supplies provided by the Contractor are not in conformance with the specifications.
- B. In the event the County terminates this contract as provided in (A) above, the County may procure, upon such terms and in such manner as the County may deem appropriate, supplies/materials similar to those so terminated, and the Contractor shall be liable to the County for any excess costs for such materials: PROVIDED, that the Contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.
- C. The Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the United States, the State of Washington, or Island County, in either their governmental or contractual capacities, fires, floods,

epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault of the Contractor.

- VI. Warranty: Successful bidder shall for a period of one (1) year from the date of purchase, guarantee the quality of the product supplied. Should failure of the product occur the supplier shall at his/her own expense pay all costs associated with any and all repairs including complete removal of failed product and placement of new product to include materials, labor, and equipment
- VII. The Contracting Agency hereby promises and agrees with the Contractor to employ and does employ, the Contractor to provide the materials and to do and cause to be done the above-described work and to complete and finish the same according to the plans and specifications and the terms and conditions herein contained and hereby contracts to pay for the same according to the specifications and the aforesaid proposal, at the time and in the manner and upon the conditions provided for in this contract.
- VIII. The Contractor, for itself, and for its heirs, executors, administrators, successors and assigns, does hereby agree to the full performance of all the covenants herein contained upon the part the Contractor.
- IX. It is further provided that no liability shall attach to the Contracting Agency, by reason of entering into this contract, except as expressly provided herein.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first hereinabove written.

Executed by the Contractor the 21 day of April, 2016.

Ryan DeVries Asst. Plant Mgr.  
Title

R DeVries

GRANIC916DL 409 023062  
License No. UBI No.

Executed by Island County the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Board of County Commissioners  
Island County, Washington

\_\_\_\_\_  
Richard M. Hannold, Chair

Attest: \_\_\_\_\_  
Debbie Thompson, Clerk of the Board



**ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL**

<b>MEETING DATE:</b> May 17, 2016
<input checked="" type="checkbox"/> <u>CONSENT AGENDA</u>
<input type="checkbox"/> <u>REGULAR AGENDA</u>
<input type="checkbox"/> <u>PUBLIC HEARING/MTG</u>
<u>C-57-16/R-27-16</u> RESOLUTION/ORDINANCE NO

<b>DEPARTMENT: PUBLIC WORKS</b>
<b>DIVISION: (if applicable) PATHS AND TRAILS</b>
<b>STAFF CONTACT: CATHERINE KELLEY, PROJECT MANAGER</b>
<b>AGENDA SUBJECT: FREELAND TRAIL – SEGMENT 1, PWP 11-01, JL 00968-0001; FEDERAL AID NO. STPE-2015(078); UPDATE TO THE PUBLIC WORKS PROJECT INITIATION (PWP-11-01)</b>
<b>BACKGROUND/SUMMARY:</b> <span style="float: right;"><b>WORK SESSION DATE:</b> (if applicable) May 4, 2016.</span>  Public Works is presenting for BOCC approval, an update to PWP 11-01 for Freeland Trail – Segment 1. The update reflects changes in the total appropriations for Engineering and Construction. The update also reflects receipt of additional Federal Funds for construction of the project.  The BOCC approved the original PWP Initiation on February 7, 2011 (Resolution No. C-13-11; R-06-11).  Public Works is also requesting by separate memos, BOCC approval of an update to the Federal Aid Project Prospectus and a supplement to Local Agency Agreement (LAA) No. LA 7350. The Prospectus update and the LAA supplement are required by the Washington State Department of Transportation to allocate Federal construction funds.  <span style="float: right;"><i>Resolution C-57-16/R-27-16</i></span>
<b>FISCAL IMPACT/FUNDING SOURCE:</b> STP(E) Funded \$198,000.00 for PE; STP(R) Grant Funded \$472,100.00 for CN (13.5% Local Match Required); TAP Funded for CN \$161,848.00 (No Local Match Required); Road Funded \$275,052.00.
<b>RECOMMENDED ACTION:</b> <input checked="" type="checkbox"/> Approve/Adopt <input type="checkbox"/> Schedule Public Hearing/Meeting <input type="checkbox"/> Continue Public Hearing/Meeting <input type="checkbox"/> Information/Discussion <input type="checkbox"/> Other (describe) _____
<b>SUGGESTED MOTION: Motion to Approve update to PWP 11-01 for Freeland Trail – Segment 1</b>

*[BELOW TO BE COMPLETED BY CLERK OF BOARD]*

**BOCC ACTION:**

<input type="checkbox"/>	APPROVED
<input type="checkbox"/>	DENIED
<input type="checkbox"/>	TABLED/DEFERRED/NO ACTION TAKEN
<input type="checkbox"/>	CONTINUED TO DATE: ____/____/____ TIME: _____
<input type="checkbox"/>	OTHER _____

# PUBLIC WORKS PROJECT INITIATION

JL NO. 00968-0001

BEFORE THE BOARD OF )  
ISLAND COUNTY COMMISSIONERS )

RESOLUTION NO. C- 57 -16  
R- 27 -16

In the matter of amending a Public Works Project, designated as **Project No. PWP 11-01 , JL 00968-0001** .

IT IS HEREBY RESOLVED THAT THE **Freeland Trail – Segment 1** , located in Sec. **10, T 29 N, R 2 E**, WM be designed and constructed as follows:

**Design:** Site reconnaissance, survey, biological assessment, preliminary design & trail alignment development. Design will result in Plans, Specifications & Estimate to be approved by the Washington State Department of Transportation (WSDOT).

**Right-of-Way:** Landowner contact & agreement negotiation. This phase will result in an approved airspace lease of right-of-way with WSDOT for trail construction & operation.

**Construction:** Bidding a public works contract & construction of the trail per the approved design. Work may include opportunities for public involvement in the construction, such as work parties organized for specific tasks as identified in the approved plans.

**Funding & Budget:** This project is partially funded by a combination of Federal Highways Surface Transportation Improvement Project Enhancement & road grants. This funding is anticipated to cover all costs for Preliminary Engineering & portions of construction. Funding for the balance of the project will come from the Road Fund.

WHEREAS, this project is contained in the adopted Transportation Plan and the implementing budget(s) thereof, the Public Works Director is hereby ordered & authorized to report and proceed thereon based upon the following appropriation:

<u>PURPOSE</u>	<u>AMOUNT OF APPROPRIATION</u>
<b>Engineering</b>	Preliminary ..... \$ 240,000.00 Construction ..... \$ 30,000.00 Sub-total ..... <u>\$ 270,000.00</u>
<b>Right of Way Acquisition</b>	..... \$ -0- Engineering & R/W Sub-Total <span style="float: right;"><u>\$ 180,500.00</u></span>
<b>Construction</b>	..... \$ 782,000.00 Contingency <span style="float: right;"><u>\$ 55,000.00</u></span> Project Sub-total <span style="float: right;"><u>\$ 1,107,000.00</u></span>
<b>TOTAL GRANT &amp; LOCAL MATCH BUDGET APPROPRIATION <span style="float: right;"><u>\$1,107,000.00</u></span></b>	

Source of Funds: Roads - \$ 275,052.00 Grant STP(E)/\$198,000.00 & STP(R) - \$472,100.00  
 Grant TAP - \$161,848.00  
 Funds Allocated: Planned X Secured \_\_\_\_\_

C-57-16

**PUBLIC WORKS PROJECT INITIATION**

**JL NO. 00968-0001**

IT IS FURTHER RESOLVED THAT the construction is to be accomplished by:

XX Contract    \_\_\_ Day Labor    \_\_\_ Both

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, **2016.**

BOARD OF COUNTY COMMISSIONERS  
ISLAND COUNTY, WASHINGTON

\_\_\_\_\_  
RICHARD M. HANNOLD, Chair

\_\_\_\_\_  
JILL JOHNSON, Member

\_\_\_\_\_  
HELEN PRICE JOHNSON, Member

ATTEST: \_\_\_\_\_  
DEBBIE THOMPSON  
Clerk of the Board



Prefix	Route	( )	Date	05/04/2016
Federal Aid Project Number	STPE-2015(078)		DUNS Number	
Local Agency Project Number	00968-0001	(WSDOT Use Only)	Federal Employer Tax ID Number	91 600 1321

Agency Island County Public Works	CA Agency <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Federal Program Title <input checked="" type="checkbox"/> 20.205 <input type="checkbox"/> Other
Project Title Freeland Trail - Segment 1	Start Latitude N48-00-41.79	Start Longitude W122-32-28.25
	End Latitude N48-00-30.47	End Longitude W122-31-53.01
Project Termini From - To SR-525/Cameron Road SR-525/Fish Road	Nearest City Name Freeland	Project Zip Code (+ 4) 98249
Begin Mile Post MP 18.61	End Mile Post MP 18.08	Length of Project 0.530
Route ID	Begin Mile Point	End Mile Point
	City Number	County Number 15
		County Name Island
WSDOT Region Northwest Region	Legislative District(s) 10	Congressional District(s) 2
		Urban Area Number N/A

Phase	Total Estimated Cost (Nearest Hundred Dollar)	Local Agency Funding (Nearest Hundred Dollar)	Federal Funds (Nearest Hundred Dollar)	Phase Start Date	
				Month	Year
P.E.	\$219,024	\$20,824	\$198,200	06	2013
R/W	\$0	\$0	\$0	09	2013
Const.	\$802,522	\$168,574	\$633,948	08	2016
Total	\$1,021,546	\$189,398	\$832,148		

**Description of Existing Facility (Existing Design and Present Condition)**

Roadway Width N/A	Number of Lanes N/A
----------------------	------------------------

Currently, no separated non-motorized facilities exist in this part of the right-of-way adjacent to SR-525.

**Description of Proposed Work**

Description of Proposed Work (Attach additional sheet(s) if necessary)

Construction of a 10 foot wide pedestrian and bicycle trail on the south side of SR-525 in the Freeland area. The trail will be built to Federal standards and will provide non-motorized access to a park and ride and to the local community and business area of Freeland.

Local Agency Contact Person Catherine Kelley	Title Project Manager	Phone 360-678-7965
Mailing Address PO Box 5000	City Coupeville	State WA
		Zip Code 98239-5000

Project Prospectus Approval

By  Approving Authority

Title William E. Oakes, Director/County Engineer Date 5/12/2016

Agency Island County Public Works	Project Title Freeland Trail - Segment 1	Date 05/04/2016
--------------------------------------	---	--------------------

Type of Proposed Work		
Project Type (Check all that Apply)	Roadway Width	Number of Lanes
<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Reconstruction <input type="checkbox"/> Railroad <input type="checkbox"/> Bridge	10 feet	N/A
<input checked="" type="checkbox"/> Path / Trail <input checked="" type="checkbox"/> Pedestrian / Facilities <input type="checkbox"/> Parking		
<input type="checkbox"/> 3-R <input type="checkbox"/> 2-R <input type="checkbox"/> Other		

Geometric Design Data		
Description	Through Route	Crossroad
<b>Federal Functional Classification</b>	<input type="checkbox"/> Urban <input type="checkbox"/> Rural <input type="checkbox"/> NHS	<input type="checkbox"/> Urban <input type="checkbox"/> Rural <input type="checkbox"/> NHS
	<input type="checkbox"/> Principal Arterial <input type="checkbox"/> Minor Arterial <input type="checkbox"/> Collector <input type="checkbox"/> Major Collector <input type="checkbox"/> Minor Collector <input type="checkbox"/> Local Access	<input type="checkbox"/> Principal Arterial <input type="checkbox"/> Minor Arterial <input type="checkbox"/> Collector <input type="checkbox"/> Major Collector <input type="checkbox"/> Minor Collector <input type="checkbox"/> Local Access
Terrain	<input type="checkbox"/> Flat <input type="checkbox"/> Roll <input type="checkbox"/> Mountain	<input type="checkbox"/> Flat <input type="checkbox"/> Roll <input type="checkbox"/> Mountain
Posted Speed		
Design Speed		
Existing ADT		
Design Year ADT		
Design Year		
Design Hourly Volume (DHV)		

Performance of Work		
Preliminary Engineering Will Be Performed By	Others 80 %	Agency 20 %
Construction Will Be Performed By	Contract 100 %	Agency %

Environmental Classification	
<input type="checkbox"/> Class I - Environmental Impact Statement (EIS) <input type="checkbox"/> Project Involves NEPA/SEPA Section 404 Interagency Agreement <input type="checkbox"/> Class III - Environmental Assessment (EA) <input type="checkbox"/> Project Involves NEPA/SEPA Section 404 Interagency Agreement	<input checked="" type="checkbox"/> Class II - Categorically Excluded (CE) <input checked="" type="checkbox"/> Projects Requiring Documentation (Documented CE)

Environmental Considerations
------------------------------

Agency Island County Public Works	Project Title Freeland Trail - Segment 1	Date 05/04/2016
--------------------------------------	---	--------------------

<b>Right of Way</b>		
<input type="checkbox"/> No Right of Way Needed * All construction required by the contract can be accomplished within the existing right of way.	<input checked="" type="checkbox"/> Right of Way Needed <input checked="" type="checkbox"/> No Relocation	<input type="checkbox"/> Relocation Required

<b>Utilities</b>	<b>Railroad</b>
<input type="checkbox"/> No utility work required <input checked="" type="checkbox"/> All utility work will be completed prior to the start of the construction contract <input type="checkbox"/> All utility work will be completed in coordination with the construction contract	<input checked="" type="checkbox"/> No railroad work required <input type="checkbox"/> All railroad work will be completed prior to the start of the construction contract <input type="checkbox"/> All railroad work will be completed in coordination with the construction contract

Description of Utility Relocation or Adjustments and Existing Major Structures Involved in the Project

FAA Involvement  
 Is any airport located within 3.2 kilometers (2 miles) of the proposed project?     Yes     No

Remarks

This project has been reviewed by the legislative body of the administration agency or agencies, or it's designee, and is not inconsistent with the agency's comprehensive plan for community development.

Date \_\_\_\_\_ Agency Board of Island County Commissioners

Attest: Debbie Thompson, Clerk of the Board By Richard Hannold, Chair



**ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL**

<b>MEETING DATE:</b> May 17, 2016
<input checked="" type="checkbox"/> <b>CONSENT AGENDA</b>
<input type="checkbox"/> <b>REGULAR AGENDA</b>
<input type="checkbox"/> <b>PUBLIC HEARING/MTG</b>
<input type="checkbox"/> <b>RESOLUTION/ORDINANCE NO</b>

<b>DEPARTMENT: PUBLIC WORKS</b>
<b>DIVISION: (if applicable) PATHS AND TRAILS</b>
<b>STAFF CONTACT: CATHERINE KELLEY, PROJECT MANAGER</b>
<b>AGENDA SUBJECT: FREELAND TRAIL – SEGMENT 1; PWP 11-01, JL 00968-0001; FEDERAL AID NO. STPE-2015(078) LOCAL AGENCY AGREEMENT (LAA) NO. LA 7350, SUPPLEMENT NO. 2</b>
<b>BACKGROUND/SUMMARY:</b> <span style="float: right;"><b>WORK SESSION DATE: (if applicable) May 4, 2016.</b></span>  Public Works is presenting LAA No. LA 7350 Supplement No. 2 to the Board of County Commissioners of Island County (BOCC) for approval to obligate our Federal (CN) Construction Funds for the project.  On February 7, 2011 Island County entered into LAA No. LA 7350 with the Washington State Department of Transportation (WSDOT) for construction of Freeland Trail.  On May 20, 2013 the County entered into LAA No. LA 7350 Supplement No. 1 with WSDOT which allocated further funding for completion of Preliminary Engineering (PE) for Freeland Trail – Segment 1.
<b>FISCAL IMPACT/FUNDING SOURCE:</b> STP(E) Funded \$198,000.00 for PE; STP(R) Grant Funded \$472,100.00 for CN (13.5% Local Match Required); TAP Funded for CN \$161,848.00 (No Local Match Required); Road Funded \$275,052.00
<b>RECOMMENDED ACTION:</b> <input checked="" type="checkbox"/> Approve/Adopt <input type="checkbox"/> Schedule Public Hearing/Meeting <input type="checkbox"/> Continue Public Hearing/Meeting <input type="checkbox"/> Information/Discussion <input type="checkbox"/> Other (describe) _____
<b>SUGGESTED MOTION: Motion to Approve Local Agency Agreement LA No. 7350, Supplement No. 2 for Freeland Trail – Segment 1</b>

[BELOW TO BE COMPLETED BY CLERK OF BOARD]

**BOCC ACTION:**

<input type="checkbox"/>	APPROVED
<input type="checkbox"/>	DENIED
<input type="checkbox"/>	TABLED/DEFERRED/NO ACTION TAKEN
<input type="checkbox"/>	CONTINUED TO DATE: ____/____/____ TIME: _____
<input type="checkbox"/>	OTHER _____



Agency Island County Public Works		Supplement Number 2
Federal Aid Project Number STPE 2015(078)	Agreement Number LA 7350	CFDA No. <b>20.205</b> (Catalog of Federal Domestic Assistance)

The Local Agency requests to supplement the agreement entered into and executed on March 18, 2011.  
All provisions in the basic agreement remain in effect except as modified by this supplement.

The change to the agreement are as follows:

**Project Description**

Name Freeland Trail - Segment I

Length 0.530

Termini Cameron Road to Fish Road

Description of Work  No Change

Reason for Supplement

Obligation of Construction Funds

Are you claiming indirect cost rate?  Yes  No

Project Agreement End Date November 1, 2018

Does this change require additional Right of Way or Easements?  Yes  No Advertisement Date: June 18, 2016

Type of Work	Estimate of Funding				
	(1) Previous Agreement/Suppl.	(2) Supplement	(3) Estimated Total Project Funds	(4) Estimated Agency Funds	(5) Estimated Federal Funds
PE					
100 % a. Agency	52,000.00		52,000.00		52,000.00
b. Other Consultant	144,200.00		144,200.00		144,200.00
Federal Aid Participation c. Other Consultant (Non-Fed)	20,824.00		20,824.00	20,824.00	
Ratio for PE d. State	2,000.00		2,000.00		2,000.00
e. Total PE Cost Estimate (a+b+c+d)	219,024.00	0.00	219,024.00	20,824.00	198,200.00
Right of Way					
% f. Agency			0.00		
g. Other			0.00		
Federal Aid Participation h. Other			0.00		
Ratio for RW i. State			0.00		
j. Total R/W Cost Estimate (f+g+h+i)	0.00	0.00	0.00	0.00	0.00
Construction					
% k. Contract (TAP)		161,848.00	161,848.00	0.00	161,848.00
l. Other			0.00		
Federal Aid Participation m. Other Contract (STP)		545,780.00	545,780.00	73,680.00	472,100.00
Ratio for CN n. Other Contract (Non-Fed)		74,894.00	74,894.00	74,894.00	
o. Agency			0.00		
p. State		20,000.00	20,000.00	20,000.00	
q. Total CN Cost Estimate (k+l+m+n+o+p)	0.00	802,522.00	802,522.00	168,574.00	633,948.00
r. Total Project Cost Estimate (e+j+q)	219,024.00	802,522.00	1,021,546.00	189,398.00	832,148.00

The Local Agency further stipulates that pursuant to said Title 23, regulations and policies and procedures, and as a condition to payment of the Federal funds obligated, it accepts and will comply with the applicable provisions.

Agency Official

Washington State Department of Transportation

By \_\_\_\_\_  
Title Richard M. Hannold, Chair, Island County BOCC

By \_\_\_\_\_  
Director, Local Program  
Date Executed

Attest: Debbie Thompson  
Clerk of the Board

Agency Island County Public Works		Supplement Number 2
Federal Aid Project Number STPE 2015(078)	Agreement Number LA 7350	CFDA No. <b>20.205</b> (Catalog of Federal Domestic Assistance)

## VI. Payment and Partial Reimbursement

The total cost of the project, including all review and engineering costs and other expenses of the State, is to be paid by the Agency and by the Federal Government. Federal funding shall be in accordance with the Federal Transportation Act, as amended, 2 CFR Part 200. The State shall not be ultimately responsible for any of the costs of the project. The Agency shall be ultimately responsible for all costs associated with the project which are not reimbursed by the Federal Government. Nothing in this agreement shall be construed as a promise by the State as to the amount or nature of federal participation in this project.

The Agency shall bill the state for federal aid project costs incurred in conformity with applicable federal and state laws. The agency shall minimize the time elapsed between receipt of federal aid funds and subsequent payment of incurred costs. Expenditures by the Local Agency for maintenance, general administration, supervision, and other overhead shall not be eligible for federal participation unless a current indirect cost plan has been prepared in accordance with the regulations outlined in 2 CFR Part 200 - Uniform Admin. Requirements, Cost Principles and Audit Requirements for Federal Awards, and retained for audit.

The State will pay for State incurred costs on the project. Following payment, the State shall bill the Federal Government for reimbursement of those costs eligible for federal participation to the extent that such costs are attributable and properly allocable to this project. The State shall bill the Agency for that portion of State costs which were not reimbursed by the Federal Government (see Section IX).

## VII. Audit of Federal Consultant Contracts

The Agency, if services of a consultant are required, shall be responsible for audit of the consultant's records to determine eligible federal aid costs on the project. The report of said audit shall be in the Agency's files and made available to the State and the Federal Government.

An audit shall be conducted by the WSDOT Internal Audit Office in accordance with generally accepted governmental auditing standards as issued by the United States General Accounting Office by the Comptroller General of the United States; WSDOT Manual M 27-50, Consultant Authorization, Selection, and Agreement Administration; memoranda of understanding between WSDOT and FHWA; and 2 CFR Part 200.501 - Audit Requirements.

If upon audit it is found that overpayment or participation of federal money in ineligible items of cost has occurred, the Agency shall reimburse the State for the amount of such overpayment or excess participation.

## IX. Payment of Billing

The Agency agrees that if payment or arrangement for payment of any of the State's billing relative to the project (e.g., State force work, project cancellation, overpayment, cost ineligible for federal participation, etc.) is not made to the State within 45 days after the Agency has been billed, the State shall effect reimbursement of the total sum due from the regular monthly fuel tax allotments to the Agency from the Motor Vehicle Fund. No additional Federal project funding will be approved until full payment is received unless otherwise directed by the Director, Local Programs.

Project Agreement End Date - This date is based on your projects Period of Performance (2 CFR Part 200.309).

Any costs incurred after the Project Agreement End Date are NOT eligible for federal reimbursement. All eligible costs incurred prior to the Project Agreement End Date must be submitted for reimbursement within 90 days after the Project Agreement End Date or they become ineligible for federal reimbursement.

## VIII. Single Audit Act

The Agency, as a subrecipient of federal funds, shall adhere to the federal regulations outlined in 2 CFR Part 200.501 as well as all applicable federal and state statutes and regulations. A subrecipient who expends \$750,000 or more in federal awards from all sources during a given fiscal year shall have a single or program-specific audit performed for that year in accordance with the provisions of 2 CFR Part 200.501. Upon conclusion of the audit, the Agency shall be responsible for ensuring that a copy of the report is transmitted promptly to the State.

## XVII. Assurances

Local Agencies receiving Federal funding from the USDOT or its operating administrations (i.e., Federal Highway Administration, Federal Transit Administration, Federal Aviation Administration) are required to submit a written policy statement, signed by the Agency Executive and addressed to the State, documenting that all programs, activities and services will be conducted in compliance with Section 504 and the Americans with Disabilities Act (ADA).



ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL

MEETING DATE: 5/17/16

CONSENT AGENDA

REGULAR AGENDA

PUBLIC HEARING/MTG

RESOLUTION/ORDINANCE NO

DEPARTMENT: Commissioners

DIVISION: (if applicable)

STAFF CONTACT: Pam

AGENDA SUBJECT: Recommend appointments/reappointment to the Water Resource Advisory Committee (WRAC), Positions 7 & 9

BACKGROUND/SUMMARY:

WORK SESSION DATE: 5/4/16

The Board considered applicants at their May 5, 2016 work session.

FISCAL IMPACT/FUNDING SOURCE:

RECOMMENDED ACTION:

- Approve/Adopt
- Schedule Public Hearing/Meeting
- Continue Public Hearing/Meeting
- Information/Discussion
- Other (describe) \_\_\_\_\_

SUGGESTED MOTION:

[BELOW TO BE COMPLETED BY CLERK OF BOARD]

BOCC ACTION:

- APPROVED
- DENIED
- TABLED/DEFERRED/NO ACTION TAKEN
- CONTINUED TO DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ TIME: \_\_\_\_\_
- OTHER \_\_\_\_\_

The Water Resource Advisory Committee was established for the purpose of determining the current water resource situation in Island County Water Resource Inventory Area 6, and recommend to the Board of County Commissioners the management and improvement of existing plans and programs; coordinating efforts with other water resource management activities in the county. Membership shall include: twelve (12) Voting Citizen Members four members from each of the county's distinct geographic areas North Whidbey, South/Central Whidbey and Camano Island representing the four water resource interests: Groundwater, Stormwater, Watershed Management, and Salmon Recovery. All terms shall be for **four years**. (C-89-00)

POSITION	MEMBER	REPRESENTING	APPT. DATE	TERM EXPIRES
1.	Jay Lawrence	Camano Island	02/16/16	05/17/20
2.	Barbara Brock	Camano Island	05/14/07	05/17/19
3.	Julius Budos	Camano Island	07/23/07	05/17/18
4.	Carol Gillespie	Camano Island	09/24/12	05/17/17
5.	Al Williams	North Whidbey	02/24/14	05/17/18
6.	Gary Ehrenfeld	North Whidbey	06/23/14	05/17/18
7.	VACANT	North Whidbey		05/17/16
8.	Dave Thomas	North Whidbey	02/06/12	06/17/19
9.	Robert Boehm	South/Central Whidbey	08/10/09	05/17/16
10.	Tom Vos	South/Central Whidbey	05/12/15	05/17/19
11.	John Lovie	South/Central Whidbey	06/23/14	05/17/18
12.	Don Lee	South/Central Whidbey	05/17/99	05/17/17

The Board received two applications

Madeline Rose, Position #7  
 Thomas P. Fox, Position #9



## EQUALIZATION, BOARD OF

**Three year term** - RCW 84.48.026. ICC 2.50.010: The Board shall be composed of five members plus two alternate members, with meetings to commence the 1st Monday in July. Sessions shall be open continue for a period of four weeks, (28 consecutive days) and shall not be adjourned until the last day of the 29 day period. The third Monday in November, the Board meets to consider errors which appear on the current assessment roll. Members appointed must meet the qualifications set out by the Department of Revenue, must not hold an elective office or be employed by an elected official. Completion of two-day training course is required within one year of appointment.

POSITION	MEMBER	ORIG. APPT. DATE	TERM EXPIRES
1.	Laddie Taylor	04/09/12	05/31/16
2.	Leanne Finlay	04/09/12	05/31/16
3.	Lynn Petersen	06/28/10	05/31/18
4.	Hanny Lentsch	03/10/15	03/10/19
5.	Dennis Nealon	03/10/15	05/31/16
6.	Judy Nelson (alt.)	06/16/15	06/16/19
7.	VACANT (alt.)		

Laddie Taylor, Position #1, requested reappointment.  
Dennis Nealon, Position #5, requested reappointment.

The Board received one application from Greg Furstenwerth.

Judy Nelson will move to Position #2 from Position #6.



ISLAND COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA BILL

MEETING DATE

05/17/2016

\_\_\_\_ CONSENT AGENDA

\_\_\_\_ REGULAR AGENDA

X PUBLIC HEARING/MTG

*Res C-36116*

DEPARTMENT: BUDGET

DIVISION: *(if applicable)*

STAFF CONTACT: Elaine Marlow x7397

AGENDA SUBJECT: Public Hearing: Resolution C-36-16 Amending the 2016 Island County Budget

BACKGROUND/SUMMARY: *(include prior BOCC discussion & action, if applicable) Work Session 04/13/2016*

The proposed budget amendment revises estimates for personnel costs, the Jail budget to reflect changes in labor agreement, costs of the Banks' lawsuit, public defense costs associated with recent murder trials, and technology upgrades.

FISCAL IMPACT/FUNDING SOURCE:

See Exhibit A of resolution

RECOMMENDED ACTION:

- Approve/Adopt
- Schedule Public Hearing
- Continue Public Hearing/Meeting
- Information/Discussion
- Other *(describe)* \_\_\_\_\_

SUGGESTED MOTION:

[BELOW TO BE COMPLETED BY CLERK OF BOARD]

BOCC ACTION:

- APPROVED
- DENIED
- TABLED/DEFERRED/NO ACTION TAKEN
- CONTINUED TO DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ TIME: \_\_\_\_\_
- OTHER \_\_\_\_\_

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF ISLAND COUNTY, WASHINGTON**

IN THE MATTER OF AMENDING  
THE 2016 ISLAND COUNTY BUDGET

)  
)

RESOLUTION C-34-16

**WHEREAS**, there are unforeseen expenditures that could not be known when the 2016 Island County Budget was adopted; and

**WHEREAS**, additional revenues have been identified to fund these unforeseen expenditures, and these additional funding sources need to be recognized in the 2016 Island County budget for the purposes and amounts shown in Exhibit A, and

**WHEREAS**, various departments have requested transfers of funds between portions of their budgets to provide funding for unexpected or heretofore unknown expenditures in one category from other budget category excesses, or from budgeted reserves; **NOW THEREFORE**,

**IT IS HEREBY APPROVED AND ORDERED** that the amounts shown in Exhibit A attached hereto are recognized and transferred within the 2016 Island County Budget.

**ADOPTED** on May \_\_\_\_, 2016.

**BOARD OF COUNTY COMMISSIONERS  
ISLAND COUNTY WASHINGTON**

\_\_\_\_\_  
Richard M. Hannold, Chair

\_\_\_\_\_  
Jill Johnson, Member

Attest:

\_\_\_\_\_  
Debbie Thompson, Clerk of the Board

\_\_\_\_\_  
Helen Price Johnson, Member

EXHIBIT A - RESOLUTION C-36-16  
2016 Budget Amendment #1

	A	G	H	I	J
1	DESCRIPTION	REVENUE		EXPENDITURES	
2		INCREASE	DECREASE	INCREASE	DECREASE
3					
4	<b>REVISE ESTIMATES FOR PERSONNEL COSTS</b>				
5	<b>DUE TO LABOR AGREEMENTS, VACANCIES, NEW HIRES, ETC.</b>				
6	<b>TRANSFER CONTINGENCY FUNDING INTO DEPARTMENT BUDGETS FOR PERSONNEL COSTS</b>				
7					
8	<b>REVISE SALARIES, PR TAXES, RETIREMENT, MEDICAL, L&amp;I</b>				
9	<b>CURRENT EXPENSE FUND (001)</b>				
10	USE OF CONTINGENCY FOR SALARIES & BENEFITS				191,173
11	USE OF CONTINGENCY SUP CT				30,000
12	USE OF CONTINGENCY - REVISE MEDICAL TO ACTUAL				4,360
13	INCREASE CONTINGENCY BALANCE - REVISE L&I RATE			9,769	
16	AUDITOR OFFICE RECORDING			619	
21	BOCC ADMIN			4,300	
26	BUDGET			499	
28	CIVIL SERVICE			207	
30	CO AUDITOR			330	
36	COMPUTER SERVICES IT			4,652	
39	CORONER SERVICES				8,945
44	DIST CT PROBATION			7,623	
50	DISTRCT COURT			8,884	
56	EMERGENCY MANAGEMENT			4,858	
62	FAC ADMINISTRATION			3,575	
64	FAC CUSTODIAL CI			683	
70	FAC CUSTODIAL WI				5,395
73	FAC MAINT WI				2,084
77	GSA ADMINISTRATION			588	
79	GSA ADMINISTRATION-CAMANO				6,708
84	HR PERSONNEL			12,085	
91	JUV CT CASE SUPERVISION				341
93	JUV FAM CT IMPV				52
97	PA ADMIN				4,636
102	PA CHILD SUPPORT			8,357	
106	PA CIVIL			14,768	
112	PA CRIMINAL			31,799	
114	PARKS ADMINISTRATION				2,000
119	PCD ADMIN				3,365
124	PCD BLDG PERMITS CAMANO			8,380	
127	PCD BLDG PERMITS WHIDBEY				3,029
132	PCD ENFORCEMENT			4,115	
137	PCD GMA				10,016
142	PCD LAND USE (CURRENT)				3,445
148	SHERIFF ADMIN			15,217	
150	SHERIFF CIVIL			26,407	
156	SUPERIOR COURT			54,401	
161	SUPERIOR COURT CLERK			31,666	
167	TAX ASSESSMENT			40,281	
172	TREASURER SERVICES			7,310	
174	VEHICLE LICENSING			255	
175					

EXHIBIT A - RESOLUTION C-36-16  
2016 Budget Amendment #1

	A	G	H	I	J
1	DESCRIPTION	REVENUE		EXPENDITURES	
2		INCREASE	DECREASE	INCREASE	DECREASE
3					
176	<b>REVISE JAIL BUDGET TO REFLECT NEW LABOR AGREEMENT &amp; STAFFING CHANGES</b>				
177	<b>SHERIFF CORRECTIONS DIVISION</b>				
178	<b>CURRENT EXPENSE FUND (001)</b>				
179	USE OF JAIL CONTINGENCY FOR NEW POSITIONS				43,245
180	USE OF CONTINGENCY FOR SALARIES & BENEFITS				59,548
188	JAIL CARE AND CUSTODY			102,793	
189					
190	<b>ESTIMATED COST OF BANKS' DECISION TO APPEAL</b>				
191	<b>COMMISSIONERS</b>				
192	<b>CURRENT EXPENSE FUND (001)</b>				
193	USE OF UNRESERVED FUND BALANCE	250,000			
194	PROFESSIONAL SERVICES			250,000	
195					
196	<b>INCREASE BUDGET FOR CONFLICT ATTORNEYS</b>				
197	<b>DUE TO INCREASE IN NUMBER OF MURDER TRIALS</b>				
198	<b>GSA PUBLIC DEFENSE</b>				
199	<b>CURRENT EXPENSE FUND (001)</b>				
200	USE OF UNRESERVED FUND BALANCE	298,000			
201	PROFESSIONAL SERVICES - PUBLIC DEFENSE ATTORNEYS			298,000	
202					
203	<b>REPLACE TELEPHONE SYSTEM</b>				
204	<b>INFORMATION TECHNOLOGY</b>				
205	<b>CURRENT EXPENSE FUND (001)</b>				
206	CAPITAL EXPENDITURE - TELEPHONE SYSTEM			530,000	
207	CARRY FORWARD PROJECT FUNDING FROM PRIOR YEAR	250,000			
208	CONTRIBUTIONS FROM OTHER FUNDS	94,000			
209	CURRENT EXPENSE TECHNOLOGY/EQUIPMENT RESERVE	186,000			
210					
211	<b>WEBSITE UPGRADE - CARRY FORWARD 2015 UNSPENT</b>				
212	<b>INFORMATION TECHNOLOGY</b>				
213	<b>CURRENT EXPENSE FUND (001)</b>				
214	CARRY FORWARD UNSPENT FROM PRIOR YEAR	50,000			
215	PROFESSIONAL SERVICES UPGRADE WEBSITE			50,000	
216					
217					
218					
219	<b>TOTAL CURRENT EXPENSE FUND</b>	<b>1,128,000</b>	<b>0</b>	<b>1,532,421</b>	<b>404,421</b>
220					
221	<i>Summary</i>				
222	<i>Revenues Increase</i>	<i>1,128,000</i>			
223	<i>Revenues Decrease</i>	<i>0</i>			
224	<i>Revenues Net Change</i>	<i>1,128,000</i>			
225	<i>Expenditures Increase</i>	<i>1,532,421</i>			
226	<i>Expenditures Decrease</i>	<i>-404,421</i>			
227	<i>Expenditures Net Change</i>	<i>1,128,000</i>			
228					
229	<i>Difference Net Change Rev-Exp</i>	<i>0</i>			